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TITLE 3—THE PRESIDENT PROCLAMATION 2752

AMENDMENT OF REGULATIONS RELATING TO
MIGRATORY BIRDS AND GAME MAMMALS
BY THE PRESIDENT OF THE UNITED STATES
OF AMERICA
A PROCLAMATION

WHEREAS the Secretary of the Interior has adopted and has submitted to me for approval the following amendment of the regulations approved by Proclamation No. 2739 of July 31, 1947, as amended by Proclamation No. 2747 of September 27, 1947, relating to migratory birds and game mammals included in the terms of the Convention between the United States and Great Britain for the protection of migratory birds concluded August 16, 1916, and the Convention between the United States and the United Mexican States for the protection of migratory birds and certain game mammals concluded February 7, 1936:

AMENDMENT OF MIGRATORY BIRD TREATY ACT REGULATIONS ADOPTED BY THE SEC- RETARY OF THE INTERIOR

By virtue of and pursuant to the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), and Reorganization Plan II (53 Stat. 1431), and having determined, in accordance with the provisions of the Administrative Procedure Act of June 11, 1946 (Public Law No. 404—79th Congress), that the amendment adopted herein is corrective of an emergency condition and that further notice and public procedure thereon are impracticable and unnecessary, I, J. A. Krug, Secretary of the Interior, having due regard to the zones of temperature and to the distribution, abundance, economic value, breeding habits, and times and lines of migratory flight of migratory birds included in the terms of the Convention between the United States and Great Britain for the protection of migratory birds, concluded August 16, 1916, and the Convention between the United States and the United Mexican States for the protection of migratory birds and game mammals, concluded February 7, 1936, have determined when, to what extent, and by what means it is compatible with the terms of the said Act and conventions to allow the

hunting, taking, capture, killing, possession, sale, purchase, shipment, transportation, carriage, exportation, and importation of such birds and parts thereof and their nests and eggs, and in accordance with such determinations, do hereby amend the regulations approved by Proclamation No. 2739 of July 31, 1947, as amended by Proclamation No. 2747 of September 27, 1947, by adding to Regulation 4 under the heading "Woodcock" the following:

"Provided, however, that in those States where hunting has been prohibited by State action by reason of emergency fire-hazard conditions, the open seasons specified in these regulations may be extended or reopened for periods not to exceed the number of days during which hunting has been prohibited by State action, and provided that such extension or reopening will not result in a diminution of the abundance of birds to any greater extent than that contemplated under the original hunting season. Any such extended or reopened season shall be determined, fixed, and announced by the Director of the Fish and Wildlife Service and the conservation agency of the State in which the emergency condition has existed, in accordance with the provisions of this regulation."

This amendment is in accordance with the recommendations of the several State conservation departments affected thereby and, in view of the nature of the emergency condition intended to be corrected, it has been determined that this amendment shall become effective immediately upon publication thereof in the FEDERAL REGISTER.

IN WITNESS WHEREOF, I have hereunto subscribed my name and caused the seal of the Department of the Interior to be affixed, this 24th day of October, 1947.

[SEAL]

J. A. KRUG,
Secretary of the Interior.

AND WHEREAS upon consideration it appears that approval of the foregoing amendment will effectuate the purposes of the aforesaid Migratory Bird Treaty Act:

NOW, THEREFORE, I, HARRY S. TRUMAN, President of the United States of America, under and by virtue of the

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FEDERAL REGISTER

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¹ Proc. 2752.

² See Title 5, Part 6.

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authority vested in me by section 3 of the said Migratory Bird Treaty Act of July 3, 1918, do hereby approve and proclaim the foregoing amendment.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this 28th day of October in the year of our Lord nineteen hundred and [SEAL] forty-seven, and of the Independence of the United States of America the one hundred and seventy-second.

HARRY S. TRUMAN

By the President:

ROBERT A. LOVETT,
Acting Secretary of State.

[F. R. Doc. 47-9717; Filed, Oct. 29, 1947; 10:08 a. m.]

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

LISTS OF POSITIONS EXCEPTED

At the request of the Secretary of the Treasury, the Commission has determined that certain positions of student assistants in the Treasury Department should be excepted from the competitive service. Effective upon publication in the FEDERAL REGISTER, § 6.4 (a) (3) is therefore amended by the addition of a subdivision numbered (xii).

§ 6.4 Lists of positions excepted from the competitive service—(a) Schedule A.

(3) Treasury Department. . . .
(xii) Student assistants whose individual salaries shall not aggregate more than \$832 a year. Only bona fide undergraduate or graduate students at colleges or universities of recognized standing shall be eligible for appointment under this subdivision. Appointments under this subdivision shall not exceed 90 working days in any one calendar year.

(Sec. 6.1 (a) E. O. 9830, February 24, 1947, 12 F. R. 1259)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] H. B. MITCHELL,
President.

[F. R. Doc. 47-9678; Filed Oct. 29, 1947; 8:49 a. m.]

TITLE 7—AGRICULTURE

Chapter VIII—Production and Marketing Administration (Sugar Branch)

PART 802—SUGAR DETERMINATIONS

FAIR AND REASONABLE PRICES FOR 1947 CROP OF LOUISIANA SUGARCANE

Pursuant to the provisions of section 301 (d) of the Sugar Act of 1937, as amended, and after investigation and due consideration of the evidence obtained at the public hearing held at New Iberia, Louisiana, on July 26, 1947, the following determination is hereby issued:

§ 802.22s Fair and reasonable prices for the 1947 crop of Louisiana sugarcane—(a) Basic price. When the price of 96° raw sugar, duty-paid basis, is 3.50 cents per pound, the basic price for the 1947 crop of Louisiana sugarcane shall be not less than \$1.00 per ton of standard sugarcane for each 1 cent of the average price per pound of raw sugar determined in accordance with whichever of the following options is agreed upon: (1) The average of the weekly quotations of 96° raw sugar, duty-paid basis, on the Louisiana Sugar and Rice Exchange and the Cane Products Trade Association Exchange for the week in which such sugarcane is delivered; or (2) the simple average of the weekly quotations of 96° raw sugar, duty-paid basis, on the Louisiana Sugar and Rice Exchange and the Cane Products Trade Association Exchange for the weeks from Friday, October 3, 1947 (or the Friday within the first marketing week of actual trading), to January 30, 1948, except that if the Director of the Sugar Branch finds that for any week or weeks such weekly averages do not reflect the true market value of sugar, because of inadequate volume or other factors, the Director may designate the weekly and seasonal prices to be effective under this determination: *Provided however*,

(i) That for each decline of $\frac{1}{4}$ cent in the price of 1 pound of 96° raw sugar, duty-paid basis, below 3.50 cents per pound, the price of standard sugarcane shall be reduced by not more than 3 percent, with intervening prices in proportion, unless the price of sugar falls below

2.75 cents per pound, in which case no further reduction shall be made; and

(ii) That for an advance of $\frac{1}{4}$ cent in the price of 1 pound of 96° raw sugar, duty-paid basis, above 3.50 cents per pound, the price of standard sugarcane shall be increased by not less than 3 percent, with intervening prices in proportion, unless the price of raw sugar exceeds 3.75 cents per pound, in which case settlement shall be made on the basis of \$1.03 for each 1 cent of the price.

(b) Standard sugarcane. Standard sugarcane shall be sugarcane containing no more sucrose in the normal juice than was defined as standard sugarcane by the processor in his sugarcane purchase contract, or contracts, verbal or written, used in the year 1946: *Provided however*,

(1) That the premiums applicable to sugarcane of the 1947 crop containing more sucrose in the normal juice than standard sugarcane shall be not less than those applicable to the 1946 crop; and

(2) That the discounts applicable to sugarcane of the 1947 crop containing less sucrose in the normal juice than standard sugarcane shall be not greater than those applied to the 1946 crop.

(c) Molasses bonus. On each ton of Louisiana sugarcane there shall be paid a molasses bonus, such bonus to be computed by taking $\frac{1}{2}$ of the excess, if any, of the average price per gallon of blackstrap molasses (as quoted by the Exchanges set out above for the period there specified) over 8 cents, and multiplying the product by $6\frac{1}{2}$ (the number of gallons of blackstrap molasses produced per ton of sugarcane as an average for the three-year period, 1933-1940).

(d) General. (1) Deductions based upon decreased boiling house efficiency may be made for frozen sugarcane accepted by the processor (it being understood that cane shall not be considered as frozen even after being subjected to freezing temperature unless and until there is evidence of damage having taken place because of the freeze) at a rate not in excess of 3.775 percent of the payment, computed without regard to the molasses bonus, for each 0.25 cc. of acidity above 2.25 cc. but not in excess of 4.50 cc. (analyzed in accordance with the established methods of the area, with intervening fractions computed to the nearest multiple of 0.05 cc.).

(2) Costs of hoisting and weighing sugarcane, which were absorbed by the processor in 1946, shall be absorbed by the processor in 1947; but nothing in this subparagraph shall be construed as prohibiting negotiations with respect to the level of such costs, subject to review by the Secretary of Agriculture or his authorized agent, upon appeal, in the event of changes alleged to be unfair to either the producer or the processor.

(3) Where the only available practicable means of transportation are rail facilities and the distance to the nearest factory is in excess of 50 miles, the cost of transportation may be shared by the processor and the producer, by mutual consent, subject to review by the Secretary of Agriculture or his authorized agent, upon appeal.

(4) The processor shall not reduce the returns from the 1947 crop of Louisiana sugarcane to the producer below those

determined above through any subterfuge or device whatsoever. (Sec. 301, 50 Stat. 909; 7 U. S. C. 1131)

Issued this 24th day of October 1947.

[SEAL] CLINTON P. ANDERSON,
Secretary of Agriculture.

[F. R. Doc. 47-9670; Filed, Oct. 29, 1947; 8:48 a. m.]

PART 802—SUGAR DETERMINATIONS

FAIR AND REASONABLE PRICES FOR 1947 CROP OF FLORIDA SUGARCANE

Pursuant to the provisions of section 301 (d) of the Sugar Act of 1937, as amended, and after investigation and due consideration of evidence presented at the public hearing held at Clewiston, Florida, on May 10, 1947, the following determination is hereby issued:

§ 802.22t Fair and reasonable prices for the 1947 crop of Florida sugarcane—

(a) Basic price. When the price of 96° raw sugar, duty-paid basis, is 3.50 cents per pound, the basic price for the 1947 crop of Florida sugarcane for mills defining standard sugarcane as sugarcane containing $11\frac{1}{2}$ to $12\frac{1}{2}$ percent of sucrose in the normal juice, equivalent in terms of commercially recoverable sugar to 10.354 to 11.432 percent sucrose in the crusher juice, shall be not less than \$1.00 per ton of standard sugarcane for each one cent of the average price per pound of raw sugar determined in accordance with whichever of the following options is agreed upon: (1) The average price per pound of 96° raw sugar, duty-paid at New York for the week in which such sugarcane is delivered less 0.17 cent (plus transportation tax on such amount payable under section 3475 of the Internal Revenue Code); or (2) The average price per pound of 96° raw sugar, duty-paid at New York for the period beginning October 15, 1947, and ending May 31, 1948, less 0.17 cent (plus transportation tax on such amount payable under section 3475 of the Internal Revenue Code), except that if the Director of the Sugar Branch finds that such average price does not reflect the true market value of sugar, because of inadequate volume or other factors, the Director may designate the weekly and seasonal prices to be effective under this determination: *Provided however*,

(i) That for each decline of $\frac{1}{4}$ cent in the price of 1 pound of 96° raw sugar, duty-paid basis, below 3.50 cents per pound, the price of standard sugarcane shall be reduced by not more than 3 percent, with intervening prices in proportion, unless the price of sugar falls below 2.75 cents per pound, in which case no further reduction shall be made; and

(ii) That for an advance of $\frac{1}{4}$ cent in the price of 1 pound of 96° raw sugar, duty-paid basis, above 3.50 cents per pound, the price of standard sugarcane shall be increased by not less than 3 percent, with intervening prices in proportion, unless the price of raw sugar exceeds 3.75 cents per pound, in which case settlement shall be made on the basis of \$1.03 for each 1 cent of the price.

(b) Standard sugarcane. Standard sugarcane shall be sugarcane containing

no more sucrose in the normal juice than was defined as standard sugarcane by the processor in his sugarcane purchase contract, or contracts, verbal or written, used in the year 1946: *Provided however*,

(1) That the premium applicable to sugarcane of the 1947 crop containing more sucrose in the normal juice than standard sugarcane shall be not less than those applicable to the 1946 crop; and

(1) That the premiums applicable to sugarcane of the 1947 crop containing less sucrose in the normal juice than standard sugarcane shall be not greater than those applied to the 1946 crop.

(c) *Molasses bonus.* On each ton of Florida sugarcane there shall be paid a molasses bonus equal to 2.75 times the amount, if any, by which the average net liquidation from disposal of blackstrap or final molasses exceeds 6.75 cents per gallon, f. o. b. sugar-house tanks at Clewiston, Florida, during the 12 months ended May 31, 1948.

(d) *General.* The established customs and practices with respect to methods of sucrose analysis, deductions for frozen sugarcane based upon decreased boiling house efficiency, fiber content determinations and deductions, definitions of delivery points, delivery schedules, and similar terms, as employed in connection with the purchase of the 1946 crop shall be employed in connection with the purchase of the 1947 crop, and the processor shall not, through any subterfuge or device whatsoever reduce the returns to the producer below those contemplated by this determination, but nothing in this subparagraph shall be construed as prohibiting modifications of practices which may be made necessary by unusual circumstances, any such modifications to be subject to review by the Secretary, or his authorized agent, in the event of changes alleged to be unfair to either the producer or the processor. (Sec. 301, 50 Stat. 909, 7 U. S. C. 1131)

Issued this 24th day of October 1947.

[SEAL] CLINTON P. ANDERSON,
Secretary of Agriculture.

[F. R. Doc. 47-9669; Filed, Oct. 29, 1947;
8:48 a. m.]

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders)

PART 904—MILK IN GREATER BOSTON, MASS., MARKETING AREA

DECLARATION OF EMERGENCY

§ 904.202 *Emergency Period No. 2—*
(a) *Findings.* (1) Pursuant to the provisions of Order No. 4, as amended, regulating the handling of milk in the Greater Boston, Massachusetts, marketing area (7 CFR, Cum. Supp. 904.1 et seq., 12 F. R. 4921), issued under authority contained in the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and after consideration of the arguments, views, and data submitted at a meeting on October 27, 1947, it is hereby found and determined that an emergency exists in that the milk supply available to the marketing area

from producers is insufficient to meet the demand for Class I milk in the marketing area.

(2) It is further found and determined that it will be impractical, unnecessary, or contrary to the public interest to delay the effective date of this declaration until 30 days after its publication in the FEDERAL REGISTER (See section 4 (c) of the Administrative Procedure Act, 60 Stat. 237), because the information upon which this declaration is based has only now become available and any delay in putting into effect the provisions of said order with regard to emergency milk will tend to deprive the consuming public of necessary and available additional supplies of milk.

(b) *Declaration.* It is therefore declared, that an emergency exists in that the milk supply available to the marketing area from producers is insufficient to meet the demand for Class I milk in the marketing area, and that § 904.5 (f) and other applicable provisions of Order No. 4 which relate to emergency milk shall become effective as of October 29, 1947, and continue in effect until the emergency is declared to be ended. (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.)

Issued at Boston, Massachusetts, this 27th day of October 1947.

RICHARD D. APLIN,
Acting Market Administrator.

[F. R. Doc. 47-9711; Filed, Oct. 29, 1947;
9:02 a. m.]

TITLE 10—ARMY

Chapter VI—Organized Reserves

PART 602—RESERVE OFFICERS' TRAINING CORPS

UNSERVICEABLE AND LOST PROPERTY SURVEYS

Rescind paragraphs (b) and (c) of § 602.46 and substitute the following:

§ 602.46 *Unserviceable and lost property surveys, etc.* * * *

(b) Property lost, destroyed, or damaged by fire, flood, theft, tornado, or other similar causes, without fault or neglect on the part of the institution, its servants or employees, or any member of its Reserve Officers' Training Corps, will be replaced at the expense of the United States, except when the institution has insurance coverage against such losses. To determine that such loss, destruction, or damage was without fault or neglect on the part of the institution, its servants or employees, or members of its Reserve Officers' Training Corps, a report of survey will be prepared and presented for action of a surveying officer appointed by the army commander. Where an institution obtains insurance protection which covers the loss of Government property due to fire, theft, or acts of God, and such a loss occurs, the Government is considered as having an insurable interest therein and the Military Establishment will proceed against the insurer, or the institution, or both, for recovery of the loss sustained by the Government.

(c) Except as otherwise provided, an institution will be required to reimburse

the Government in the value of property lost, damaged, or destroyed. If the institution authorities acknowledge liability for the loss, damage, or destruction of Government property in a particular case, a report of survey will not be required as the account may be cleared by forwarding a check for the value of the property lost, damaged, or destroyed, together with an itemized list in duplicate of the articles grouped by classes for which payment is being made to the army headquarters. The property listing will be reviewed and determination made as to the appropriateness of the remittance. If the amount remitted is considered acceptable, the check will be deposited with the nearest army disbursing officer and a receipt obtained therefor. The original of the property listing, bearing evidence of review by the army headquarters, and the receipt for collection of the funds will be returned to the institution and filed as a valid credit voucher to the stock record account. The duplicate copy of the list bearing evidence of review by the army headquarters and collection of the funds will be forwarded by the army headquarters to the regional audit office having audit responsibility. Where the institution authorities do not acknowledge liability for the loss, damage, or destruction of Government property, adjustment of the property records and determination of liability will be made by means of a Report of Survey (WD AGO Form 15).

[AR 145-20, July 1, 1938 as amended by Cir. 8, Sept. 26, 1947, Department of the Army] (Sec. 47, 39 Stat. 192; sec. 34, 41 Stat. 777; 10 U. S. C. 389)

[SEAL] H. B. LEWIS,
Brigadier General,
Acting The Adjutant General.

[F. R. Doc. 47-9668; Filed, Oct. 29, 1947;
8:47 a. m.]

TITLE 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

PART 257—UNIFORM SYSTEM OF ACCOUNTS FOR PUBLIC UTILITY HOLDING COMPANIES, PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

The following is a restatement in codified form of the Uniform System of Accounts for Public Utility Holding Companies Under the Public Utility Holding Company Act of 1935, as amended effective January 1, 1943. It contains no new or different provisions from those which have been in effect since that date and its present publication merely represents a delayed filing with the FEDERAL REGISTER.

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257.313	Surplus appropriated to reserves.
257.315	Other debits to earned surplus.

AUTHORITY: §§ 257.0-1 to 257.315, inclusive, issued under secs. 15 (e), 20 (b), 49 Stat. 828, 833; 15 U. S. C. 790, 791.

GENERAL INSTRUCTIONS

§ 257.0-1 *Companies for which this system of accounts is prescribed.* This system of accounts is prescribed for holding companies subject to the provisions of § 250.26 of this chapter (Rule U-26) adopted under the Public Utility Holding Company Act of 1935. Attention is directed to sections 15 (e) and 20 (b) of the act and § 250.26 of this chapter (Rule U-26) which, except as otherwise specifically provided therein, make it unlawful for any company subject to the provisions of this system of accounts to keep

any accounts in lieu of those herein provided, or to keep the accounts herein provided in a manner other than as prescribed or approved by the Commission.

§ 257.0-2 *Submission of questions.* To promote and maintain uniformity and sound accounting there shall be submitted to the Commission for consideration and decision all cases in which the company is uncertain as to the interpretation of the prescribed accounting rules or the accounting procedure to be followed.

§ 257.0-3 *Records.* (a) The books of account and other records of the company shall be so kept as to show fully the facts pertaining to all entries in these accounts. All such entries shall be supported by such detailed information as will permit ready identification and analysis.

(b) The books and records referred to herein include not only accounting records in a limited technical sense, but all other records such as minute books, stock books, reports, memoranda, etc., which may be useful in developing the history of or facts regarding any transaction of the company recorded in its accounts.

(c) No company shall destroy any books or records as defined in paragraph (b) of this section without first having obtained the consent and approval of the Commission.

(d) Accounts which are clearly summaries of other accounts or of subaccounts provided for herein are not required to be kept in the company's books.

(e) Companies may subdivide any of the accounts, provided such subdivisions do not impair the integrity of the prescribed accounts. The titles of all subdivisions or subaccounts shall refer by number or title to the accounts of which they are subdivisions.

(f) Clearing accounts may be kept when necessary or useful in making the proper distribution of items to the appropriate accounts prescribed herein, provided balances in such clearing accounts shall not be carried forward to the next succeeding fiscal year, except insofar as they may apply to a future accounting period.

(g) As of the effective date of this system of accounts, the several accounts prescribed herein shall be opened by transferring thereto the balances carried in the accounts maintained by the company prior to the effective date of this system of accounts. The company is authorized to make such subdivisions, reclassifications, or consolidations of such balances as are necessary to meet the requirements of this system of accounts but is not required, for the purposes of this paragraph, to restate, as assets, liabilities, reserves or suspense, items which previously have been charged or credited to income or surplus accounts. Complete details of such subdivisions, reclassifications, and consolidations should be made a part of the permanent records.

§ 257.0-4 *Definitions.* When used in this system of accounts:

(a) "Accounts" or "these accounts" means the accounts in this system of accounts.

(b) "Actually outstanding," as applied to certificates of capital stock or evi-

dences of debt, means those which have been issued (or assumed) by the company and neither have been retired nor have been reacquired by or for the company, nor are held in its sinking or other funds.

(c) "Affiliate" of a specified company as defined in title I, sec. 2 (a) (11), Public Utility Holding Company Act of 1935, means:

(A) Any person that directly or indirectly owns, controls, or holds with power to vote, 5 per centum or more of the outstanding voting securities of such specified company;

(B) Any company 5 per centum or more of whose outstanding voting securities are owned, controlled, or held with power to vote, directly or indirectly, by such specified company;

(C) Any individual who is an officer or director of such specified company, or of any company which is an affiliate thereof under clause (A) of this paragraph; and

(D) Any person or class of persons that the Commission determines, after appropriate notice and opportunity for hearing, to stand in such relation to such specified company that there is liable to be such an absence of arm's-length bargaining in transactions between them as to make it necessary or appropriate in the public interest or for the protection of investors or consumers that such person be subject to the obligations, duties, and liabilities imposed in this title upon affiliates of a company.

(d) "Associate company" of a company means any company in the same holding-company system with such company. "Holding company system" means a holding company with all its subsidiaries and all mutual service companies of which such holding company or any subsidiary company thereof is a member company.

(e) "Book amount" means the amount at which assets are recorded in the accounts of the company (without deduction of any related reserves or other items).

(f) "Book liability" means the amount at which securities issued or assumed by the company and other liability items are recorded in the accounts of the company.

(g) "Commission" means the Securities and Exchange Commission.

(h) "Company" or "the company" when not otherwise indicated in the context means the accounting company.

(i) "Debt expense," as applied to funded debt, means all expense in connection with the issue and sale of evidences of debt.

(j) "Discount," as applied to securities issued or assumed by the company, means the excess of the par or face amount of the securities, plus interest or dividends accrued at the date of sale, over the current money value of the consideration received therefor.

(k) "Premium," as applied to securities issued or assumed by the company, means the excess of the current money value of the consideration received at their sale over the sum of their par or face amount and interest or dividends accrued at the date of the sale.

(l) "Statutory subsidiary" of a specified company means any company 10 per cent or more of the outstanding voting securities of which are directly or indirectly owned, controlled, or held with power to vote by such specified company (or by a company that is a statutory sub-

sidary thereof), unless the Commission has declared such company not to be a subsidiary company thereof pursuant to section 2 (a) (8) of the Public Utility Holding Company Act of 1935 or an application has been filed in good faith for such an order and has not been acted upon by the Commission. "Statutory subsidiary" also includes any other company which the Commission has by order declared to be a subsidiary company of such specified company. A "majority owned" subsidiary of a specified company means any company over 50 percent of the voting securities of which (other than as affected by events of default) are directly or indirectly owned, controlled, or held with power to vote by such specified company (or by one or more companies that are majority owned subsidiaries thereof).

§ 257.0-5 *Unaudited items.* When the amount of any known item affecting these accounts cannot be accurately determined in time for inclusion in the accounts of the fiscal year in which the transaction occurs, the amount of the item shall be estimated and included in the proper accounts. When the item is audited, the necessary adjustments shall be made through the accounts in which the estimate was recorded. If, during the interval between the date of inclusion of the item in the accounts and the date on which it is audited, a substantial difference from the initial estimate is determined, appropriate adjustments shall be made in the current accounts to cover such difference. The company is not required to anticipate minor items which would not appreciably affect these accounts.

§ 257.0-6 *Delayed items.* (a) The term "delayed items" means items relating to transactions which occurred before the current fiscal year but which were not recorded in the books of accounts in such prior year. It includes adjustments of errors in the income and expense accounts of prior years.

(b) Delayed items shall be charged or credited to the same accounts which should have been charged or credited if the items had been taken up or adjusted in the period to which they pertained.

(c) If the amount of any delayed item is relatively so large that its inclusion in the accounts for a single year would seriously distort these accounts, the company shall distribute to the appropriate surplus account so much of the amount as is applicable to prior years. The company shall keep such records as will enable it to furnish full particulars concerning each such item, including the accounts and years which would have been affected and the extent to which they would have been affected had the item not been delayed.

§ 257.0-7 *General structure of accounting system.* The accounts herein provided are embraced in the following general groups:

Balance-sheet accounts.
Income accounts.
Surplus accounts.

The order in which the accounts are presented in this system of accounts is

not to be interpreted as indicative of the order in which they will be scheduled in reports to the Commission.

§ 257.0-8 *Basis of recording investments on books.* (a) Investments acquired subsequent to the effective date of this system of accounts shall be entered in investment accounts at cost to the company, except as provided under § 257.0-9, "Investments acquired in reorganization," and retained therein at cost until sold or otherwise disposed of, or written down or written off in accordance with provisions of accounts herein prescribed.

(b) If the consideration given for any investment is other than cash or securities issued by the acquiring company, the cost of the investment acquired shall, except as provided under § 257.0-9, "Investments acquired in reorganization," be deemed to be the fair current value of the consideration given. If the consideration given for any investment consists of securities issued by the acquiring company, the cost of the investment acquired shall be deemed to be the fair current value of such investment.

(c) In the case of securities or other assets acquired by the accounting company as a result of the merger, consolidation, liquidation, or dissolution of an associate company in which the accounting company has an interest, the amount entered upon the books of the accounting company in respect of the securities or other assets thus acquired shall be such as the Commission may approve or direct.

§ 257.0-9 *Investments acquired in reorganization.* (a) In case the accounting company is a company organized to effect a continuity of interests of owners and creditors of a company involved in receivership, bankruptcy or reorganization proceedings, under the supervision of a court and through such proceedings has acquired (or if it is a company reorganized in any such proceedings, from which it emerges as the owner of) investments of undetermined value, and at the time of recording such investments on its books does not have a satisfactory valuation of the items or of some portion thereof, it may enter such investments of undetermined value on its books at figures representing an approximation or reasonable estimate of their fair current value, recording each item of investments separately. The amounts thus tentatively recorded should represent as nearly as determinable, at the time adopted, the fair current values inherent in the investments at date of reorganization. Each of the items so recorded shall be subject to adjustment when its fair current value shall have been determined satisfactorily.

(b) If, in the case of investments so recorded by the company, the aggregate thereof plus other assets acquired exceeds the aggregate par value of its capital stock plus its debts, an amount equal to such excess shall be set up in account 182, "Reserve for adjustment of assets acquired in reorganization," which reserve shall be available for adjustment of such figures when values are determined. When the fair current value of any of the items for adjustment of which this reserve is available shall have been deter-

mined, an adjustment in respect thereof shall be made by appropriate debit or credit to the reserve account.

(c) It is the intention that the reserve, so far as it is adequate, shall be used to adjust all differences between the amount originally set up on the books with respect to the items to which the reserve relates and fair current values as finally determined; and that the reserve shall be affected only by losses or gains clearly attributable to operations or events originating prior to date of acquisition and inherent in the investments at date of acquisition.

(d) When it shall have been determined that the whole, or any part, of the balance remaining in the account is no longer required for the aforesaid purposes, any amount not so required may be disposed of as the Commission may approve or direct.

§ 257.0-10 *Securities or other assets pledged.* The company shall maintain a record of securities or other assets owned by the company, which have been pledged by it as collateral security for any of its funded debt, short-term loans, or other obligations. The record shall be kept in such manner as to show with respect to a particular obligation the identity of the securities or other assets pledged as collateral thereto.

§ 257.0-11 *Stock "rights."* When the accounting company receives "rights" issued by another company in respect of stock owned by the accounting company, there shall be assigned to such "rights" as the cost thereof, at the date such "rights" are issued, an equitable portion of the book amount of the stock in respect of which the "rights" were issued. If the "rights" are subsequently sold, the difference between the cost assigned to the "rights" and the proceeds realized from the sale thereof shall be disposed of as profit or loss from sale of investments. If the "rights" are exercised, the cost assigned thereto as above provided shall be assigned to the cost of the additional stock acquired in connection with the exercise of the "rights".

§ 257.0-12 *Contingent assets and liabilities.* Contingent assets represent possible sources of value to the company contingent upon the fulfillment of conditions regarded as uncertain. Contingent liabilities include items which may, under certain conditions, become obligations of the company, but are not direct obligations at the date of the balance sheet. Contingent assets and liabilities shall not be included in the accounts herein prescribed, but such records shall be kept as will enable the company to report all items of significant amount. If, when, and to the extent that contingent assets and liabilities become actual, they shall be included in the appropriate accounts herein provided, prior to which time the company's balance sheet shall carry an appropriate notation with reference thereto.

§ 257.0-13 *Undistributed earnings.* After the effective date of this system of accounts, the company shall not take up on its books in income or other accounts the undistributed earnings of other companies, regardless of the extent of its

ownership in, or degree of control exercised over, such companies, except such undistributed earnings as may be includible in account 116, "Dividends receivable." At the effective date of this system of accounts, any undistributed earnings of other companies then carried on the books of the company shall be eliminated therefrom, except as provided hereinabove.

§ 257.0-14 *Surplus.* (a) After the date this system of accounts becomes effective as to the company, it shall maintain on its books account 190, "Capital surplus," subdivided as provided, and account 191, "Earned surplus." If, prior to such date, a separation between capital surplus and earned surplus has not been maintained, the surplus shall be segregated at that time if practicable, unless includible in its entirety in capital surplus or earned surplus. The company shall append to each account which it is not practicable to segregate the words "prior to * * *" (naming the effective date of this system of accounts). The accounts so designated shall be carried until the balances therein shall have been segregated into capital surplus and earned surplus. In such case, the surplus in accounts 190 and 191 shall be designated "Capital surplus since * * *" and "Earned surplus since * * *" (naming the date one day prior to such effective date.) The abovementioned designations shall be carried until the prior surplus has been entirely segregated into capital surplus and earned surplus, whereupon the words appended to accounts 190 and 191 shall be omitted and the account for prior surplus shall be closed. The foregoing instructions are not intended to prohibit charges to such unsegregated surplus if such charges are applicable to the period prior to the effective date of this system of accounts.

(b) Within 90 days after the date this system of accounts first becomes effective as to any company, such company shall submit a transcript of its surplus account or accounts covering the entire period from inception to the effective date of this system of accounts, showing in detail the nature and amount of debits and credits, respectively, and the balance in the account at the close of each specified year. The transcript shall be accompanied by a summary statement in which debits and credits for the entire period covered by the transcript have been classified according to their nature, and summarized to show the aggregate amount of each class as well as the aggregate amount of debits and credits, respectively, for the period, and the resulting balance in the account at the effective date of this system of accounts. The right is reserved to require any additional data with respect to the details of surplus acquired from merged, consolidated, or other predecessor companies.

(c) In a footnote to the summary statement, the company shall show the amount of unrealized appreciation, if any, included in the balance in the account; if none is included, the footnote shall so state.

§ 257.0-15 *Consolidated statements.* The company shall keep its records in such manner that it can report with respect to any account affected the amount included therein relating to companies which are (a) consolidated, and (b) not consolidated, in the consolidated statements of the company.

BALANCE-SHEET ACCOUNTS

ASSET AND OTHER DEBIT ACCOUNTS

Investments

§ 257.100 *Investment securities and advances.* This account shall include the book amount of investments in other companies, except such as may be includible in account 101, "Miscellaneous investments." Include in this account the book amount of investments in common stocks, preferred stocks, bonds, notes, and other obligations, issued or assumed by other companies, and also the amount of advances to them on open account not subject to current settlement.

Records shall be maintained in such manner that the company can report separately the amount of investments in, and advances to, (a) subsidiaries, majority owned, which are (1) consolidated, (2) not consolidated in the consolidated balance sheet of the company; (b) investments in other statutory subsidiaries; (c) investments in other associate companies; and (d) investments in other companies. (Note general instructions 4D and 4L.)

Records supporting the entries to this account shall be kept to show the book amount of each of the following kinds of investment in each company:

- (a) Common stocks (by classes).
- (b) Preferred stocks (by classes).
- (c) Bonds (by classes).
- (d) Other secured obligations (specified).
- (e) Unsecured notes.
- (f) Advances on open account.

If two or more investments acquired prior to the effective date of this system of accounts are carried at an unsegregated book amount and it is not possible to determine from the accounts and supporting records the portions thereof applicable to each, they may be stated in one amount, provided that upon the sale or other disposal of any of such investments the unsegregated amount shall be allocated to each investment unless the Commission otherwise approves or directs. The method followed in making the allocation shall be such as the Commission may approve or direct.

The records shall further show with respect to a specified investment such applicable particulars as (a) designation of issue, (b) number of shares or units, (c) par, face, or principal amount, (d) dates of issue and maturity, (e) interest or dividend dates, (f) rate of interest or dividend, and such additional information as may be essential to the identification of the investment.

NOTE: For the basis of charges to this account on and after the effective date of this system of accounts see § 257.0-8.

§ 257.101 *Miscellaneous investments.* This account shall include the book amount of investments which are not in-

cludible in account 100, "Investment securities and advances."

Include in this account the book amount of real estate, securities of companies in receivership or bankruptcy, special deposits of cash for more than 1 year when made primarily to secure an interest return, office furniture and miscellaneous equipment, net cash surrender value of insurance on lives of officers when the company is the beneficiary of such insurance, and other miscellaneous investments.

Appropriate subaccounts shall be maintained for each class of investment.

NOTE A: For the basis of charges to this account on and after the effective date of this system of accounts see § 257.0-8.

NOTE B: This account shall not include securities issued or assumed by the accounting company and owned by it, whether held in its treasury, in sinking or other special funds, or pledged as collateral.

Organization

§ 257.105 *Organization.* This account shall include expenditures incident to incorporation or other form of organization of the company.

Include in this account fees paid for the privilege of incorporation; legal and office expense incident to organizing the company; cost of stock and minute books and corporate seal; cost of preparing and filing amendments to the certificate of incorporation; and special counsel and other fees and expenses in mergers, consolidations, and reorganizations.

The balance in this account may be amortized by regular charges to income or written off to earned surplus, or disposed of in such other manner as the Commission may approve.

NOTE A: This account shall not include discounts upon securities issued or assumed; costs incident to negotiating loans, selling bonds, or other evidence of debt; or discount, commissions, and expense incident to the authorization, issuance, and sale of capital stock.

NOTE B: Amounts included in this account on the books of companies merged, consolidated, or reorganized shall not be carried forward to this account on the books of the successor or continuing corporation except to the extent approved by the Commission.

NOTE C: With respect to any existing company this account shall include expenditures of the nature indicated which are included in the assets of the company at the effective date of this system of accounts.

Special Funds

§ 257.106 *Sinking funds.* This account shall include the amount of cash, the book amount of securities of other companies, the par or face amount of securities issued or assumed by the company, and the book amount of other assets which are held by trustees or by the company's treasurer in a distinct fund for the purpose of redeeming outstanding obligations.

A separate account shall be maintained for each sinking fund under a title which shall designate the obligation in respect of which the fund was created.

NOTE: See note under account 130, "Reacquired capital stock" and account 131, "Reacquired funded debt."

§ 257.107 *Miscellaneous special funds.* This account shall include the amount of cash, the book amount of securities of other companies, the par or face amount of securities issued or assumed by the company, and the book amount of other assets which have been specifically set aside for purposes not provided for elsewhere. A separate subaccount shall be provided for each fund.

NOTE: See note under account 130, "Reacquired capital stock" and account 131, "Reacquired funded debt;" see also account 111, "Special cash deposits."

Subscribers to Capital Stock

§ 257.108 *Subscribers to capital stock.* This account shall include the amount charged to subscribers to capital stock at the time subscriptions are accepted. Concurrently there shall be credited to account 151, "Capital stock subscribed," the par or stated value of the stock subscribed, or the agreed purchase price in the case of stock without par or stated value. The difference between the amount charged subscribers and the amount credited to account 151, "Capital stock subscribed," shall be debited or credited as may be appropriate to account 120, "Discount on capital stock," or account 190, "Capital surplus."

Payments made by subscribers shall be credited to this account.

NOTE: Such records shall be kept in support of the entries to this account as will disclose, in respect of each issue of stock, the identity of subscribers, the date and amount of each subscription, the date that each payment is due and the date paid, and the nature of the consideration received in payment.

Current Assets

§ 257.110 *Cash.* This account shall include the amount of current funds available for use on demand in the hands of financial officers and agents, or deposited in banks or trust companies.

§ 257.111 *Special cash deposits.* This account shall include the amount of cash on special deposit (other than in sinking funds or other special fund accounts as elsewhere provided), to pay interest, dividends, and other debts, when such payments are due 1 year or less from date of deposit; the amount of cash deposited to insure the performance of contracts to be performed within 1 year from date of deposit; and other cash deposits of a special nature not provided for elsewhere. This account shall include also cash realized from the sale of the company's securities and deposited with trustees to be held until disbursed for the purposes for which the securities were sold; *Provided*, That cash so held until disbursed for such purposes, including cash held for redemption of securities, shall be included in account 107, "Miscellaneous special funds," unless the liability for the disbursement is included under current liabilities.

This account shall be subdivided as follows:

- (a) Interest special deposits.
- (b) Dividend special deposits.
- (c) Miscellaneous special deposits.

NOTE A: Cash on deposit in special accounts where the funds are available for the

current requirements of the company shall be included in account 110, "Cash."

NOTE B: Time deposits of cash for a period longer than 1 year when made primarily to secure an interest return shall be included in account 101, "Miscellaneous investments." Other deposits of cash for a period longer than 1 year shall be included in account 107, "Miscellaneous special funds."

NOTE C: When payments of interest on bonds or other securities are made to fiscal agents to be disbursed by such agents the amount of the payment may be charged to the appropriate interest accrued account and not to this account.

NOTE D: When the total amount of any dividend is deposited by the company with its stock transfer agent (or other paying agent) to be disbursed by such agent, the amount of the dividend so deposited may be charged directly to account 165, "Dividends declared," and not to this account.

§ 257.112 *Temporary cash investments.* This account shall include the book account of securities acquired for the purpose of temporarily investing cash, such as demand and time loans for 1 year or less including certificates of deposit, bankers' acceptances, United States Treasury bills, and other marketable securities readily convertible into cash.

NOTE A: Securities issued or assumed by the company or any associate company shall not be included in this account.

NOTE B: Investments in securities of other companies shall be included in the appropriate investment account unless such securities were purchased with intention to sell within 1 year from date of purchase, and have been held less than 1 year.

§ 257.113 *Notes receivable.* This account shall include the book amount not includible elsewhere, of all collectible obligations in the form of notes receivable and other similar evidences (except interest coupons) of money receivable on demand or within a period of time not exceeding 1 year from date of issue.

NOTE A: Records supporting the entries to this account shall be so kept that the company can report the amount of notes receivable from (a) associate companies and (b) others.

NOTE B: Notes evidencing investment advances to other companies shall be included in the appropriate investment account.

NOTE C: If the retention in this account of a note or other obligation is not justified by the current asset position of the obligor, it shall be charged to the appropriate investment or other account.

NOTE D: Notes discounted, sold, or transferred, when not transferred without recourse, shall be separately accounted for.

§ 257.114 *Accounts receivable.* This account shall include amounts currently due the company on open accounts.

NOTE A: Records supporting the entries to this account shall be so kept that the company can report the amount of accounts receivable from (a) associate companies and (b) others.

NOTE B: If amounts currently due are not actually paid within 90 days of their due date, they shall be transferred to the appropriate investment or other account.

§ 257.115 *Accrued interest receivable.* This account shall include the amount of interest accrued on bonds, notes, deposits, open accounts, and other interest-bearing obligations owned.

NOTE A: Records supporting the entries to this account shall be so kept that the com-

pany can report the amount of interest receivable from (a) associate companies and (b) others.

NOTE B: Interest which is not subject to current settlement shall be included in the account in which is carried the principal on which the interest is accrued.

NOTE C: This account shall not include interest on securities issued or assumed by the company and held by or for it, whether held in its treasury, in sinking or other special funds, or pledged as collateral.

§ 257.116 *Dividends receivable.* This account shall include the amount of dividends receivable on stocks owned, but unpaid at the date of the balance sheet. Dividends shall not be taken up before they are declared, nor unless payment is reasonably assured by past experience, guaranty, or otherwise.

NOTE A: Records supporting the entries to this account shall be so kept that the company can report the amount of dividends receivable from (a) associate companies and (b) others.

NOTE B: This account shall not include dividends on stocks issued or assumed by the company and held by or for it, whether held in its treasury, in sinking or other special funds, or pledged as collateral.

§ 257.117 *Other current assets.* This account shall include all current assets which are not includible in the foregoing current asset accounts. Include herein such items as rents receivable, materials and supplies, and working funds. An appropriate subaccount shall be kept for each class of assets.

Capital Stock Discount and Expense

§ 257.120 *Discount on capital stock.* This account shall include all discounts suffered in connection with the issuance and sale of capital stock. Records supporting the entries to this account shall be kept to show the discount on each class and series of capital stock.

Discount on a particular class and series of capital stock may be offset or reduced by charges to capital surplus to the extent that premiums and assessments on the particular class and series of capital stock, and net gain from reacquisition and resale of any class or series of stock, are included therein. Discount on one class or series of capital stock may not be offset or reduced by charges to capital surplus arising from premium and assessments on any other class or series of capital stock without the approval of the Commission.

Discount on capital stock may be charged to capital surplus to the extent indicated in the preceding paragraph, or it may be written off to earned surplus.

When an issue of capital stock originally sold at a discount, or any part thereof, is reacquired, there shall be credited to this account the amount of discount applicable to such stock reacquired and concurrent charge made to capital surplus to the extent indicated in the second preceding paragraph, any excess thereof to be charged to earned surplus.

NOTE: No discount on capital stock shall be included as a part of the cost of acquiring any property or security. The provisions of this account shall not be construed as indicating approval by the Commission of the issuance of stock at a discount.

§ 257.121 *Commissions and expense on capital stock.* This account shall include commissions and expense incurred in connection with the issuance and sale of capital stock. Records supporting the entries to this account shall be kept to show commissions and expense on each class and series of capital stock. The expense chargeable to this account shall include all such expenses not includible in account 105, "Organization."

Commissions and expense relating to capital stock may be written off to earned surplus or amortized by charges to income. Credits made to this account for amortization shall be concurrently charged to account 255, "Miscellaneous amortization charges to income."

When an issue of capital stock, or any part thereof, is reacquired there shall be credited to this account the amount of commissions and expense on original sale, if any, applicable to such stock reacquired and concurrent charge made to income or earned surplus.

NOTE: No commissions and expense on capital stock shall be included as a part of the cost of acquiring any property or security.

Deferred Charges

§ 257.125 *Prepayments.* This account shall include amounts representing prepayments. The account shall be kept in such manner as to disclose the balance in each of the following classes: (a) Taxes, (b) insurance, (c) interest, (d) rents, and (e) miscellaneous. This account shall be credited and the appropriate account charged in such manner as to distribute the amount of the prepayment over the term to which applicable. Minor prepayments may be charged direct to final accounts.

§ 257.126 *Unamortized debt discount and expense.* This account shall include the total of the debit balances, of those accounts having debit balances, of the discount, expense, and premium accounts for all classes and series of funded debt.

A separate discount, premium, and expense account shall be maintained to include both discounts suffered and premiums realized together with expenses incurred, in connection with the issue and sale of each class and series of funded debt issued or assumed by the company.

Discount and expense incurred in connection with the issue and sale of funded debt shall be amortized by the consistent application of a rule by which the entire amount of discount and expense pertaining to any issue shall be amortized through such regular charges to income as will equitably distribute the balance thereof during the life of such issue.

When an issue of funded debt, or any part thereof, is retired prior to maturity and not in connection with a refunding operation any remaining balance of unamortized discount and expense pertaining thereto shall be charged to earned surplus, except as the Commission shall otherwise approve or direct.

When an issue of funded debt, or any part thereof, is refunded and at the date of refunding there is a balance of unamortized discount and expense relating thereto the amount of such balance to-

gether with any premium paid in retiring the debt shall be disposed of in such manner as the Commission may approve or direct.

Amounts credited to this account for amortization shall be concurrently charged to account 251, "Amortization of debt discount and expense."

NOTE: No discount and expense on funded debt shall be included as a part of the cost of acquiring any property or security.

§ 257.127 *Other deferred charges.* This account shall include all deferred charges not provided for elsewhere.

Include in this account such items as the following: Items in suspense which cannot be cleared and disposed of until additional information is received; amounts paid for options pending final disposition; the cost of preliminary surveys, plans, investigations, valuations, inventories, and appraisals made in connection with contemplated acquisition or sale of securities or properties; and other analogous items the proper and final disposition of which is uncertain.

When the proper disposition of any item included in this account is determined the amount thereof shall be credited to this account and concurrently charged to the appropriate account. Extraordinarily large items may be amortized over such period as the company may determine to be proper: *Provided, however,* That the amortization of any item over a period longer than 1 year shall be subject to such rules, regulations, or orders, if any, as the Commission may issue with respect to the amortization thereof.

Records supporting the entries to this account shall be kept in such manner that the company can furnish full particulars concerning any item.

Reacquired Securities

§ 257.130 *Reacquired capital stock.* This account shall include the par value of capital stock issued or assumed by the company and reacquired by it and held uncanceled, except reacquired stock which is to be held in sinking or other funds. Stock without par value shall be included in this account at the proportionate amount at which the particular class and series of stock is included in account 150, "Capital stock."

The difference between the amount at which capital stock is included in this account and the amount paid by the company for such stock, including commissions and expense in connection with the reacquisition, shall be credited or debited at the time of reacquisition to account 190, "Capital surplus": *Provided, however,* That the excess of a debit over the amount of accumulated net gains included in capital surplus arising from reacquisition or resale of capital stock shall be charged to earned surplus.

When reacquired capital stock is sold the difference between the amount at which such stock is included in this account and the net sale price realized shall be credited or debited, as appropriate, to account 190, "Capital surplus," subject to the restriction described in the preceding paragraph.

Records supporting the entries to this account shall be maintained to show par-

particulars concerning each class and series of stock included therein.

NOTE: The adjustment to par or book liability of capital stock reacquired for sinking and other special funds shall be recorded at date of reacquisition as provided in the second paragraph of this account.

§ 257.131 *Reacquired funded debt.* This account shall include the face amount of funded debt of the company reacquired and held uncanceled, except funded debt held in sinking or other funds.

The difference between the face amount of bonds or other funded debt included in this account and the amount paid by the company for such securities, including commissions and expenses paid in connection with the reacquisition, shall be credited or debited as appropriate to account 305, "Other credits to earned surplus," or account 315, "Other debits to earned surplus," except as the Commission shall otherwise approve or direct. Concurrently the portion of unamortized premium, discount, and expense relating to the funded debt reacquired shall be credited or debited as appropriate to account 305, "Other credits to earned surplus," or account 315, "Other debits to earned surplus," except as the Commission shall otherwise approve or direct.

When reacquired bonds or other funded debt is resold by the company, the face amount of the securities shall be credited to this account, and the difference between such amount and the net sale price realized shall be credited or debited to account 305, "Other credits to earned surplus," or account 315, "Other debits to earned surplus," as appropriate; *Provided*, That in case of the sale of a substantial amount of reacquired funded debt at less than face amount so much of such discount as the Commission may approve may be charged to account 126, "Unamortized debt discount and expense," and amortized over the remaining life of such debt.

Records supporting the entries to this account shall be maintained to show particulars concerning each class and series of funded debt reacquired.

NOTE: The adjustment to par or face amount of funded debt reacquired for sinking and other special funds shall be recorded at date of reacquisition as provided in the second paragraph of this account.

LIABILITY AND OTHER CREDIT ACCOUNTS

Stock

§ 257.150 *Capital stock.* This account shall include the total par value, the stated or assigned value, or (in case of stock without par or assigned value) the fair current value of the consideration received, in respect of capital stock or other form of proprietary interest in the company which has been issued to bona fide purchasers and has not been reacquired and canceled. Appropriations of surplus which have been transferred to nonpar stock account shall also be included. The amount of the consideration received for stock in excess of the amount credited to this account shall be credited to account 190, "Capital surplus."

A separate subaccount shall be maintained for each class and series of stock showing the number of shares authorized by the articles of incorporation and amendments thereto, the number of shares issued, the number reacquired and canceled, the number outstanding, and the book liability therefor.

When capital stock is retired and canceled, this account shall be charged with the amount at which such stock is carried in this account. In the case of nonpar stock, the amount to be charged hereto shall be the proportion, applicable to the reacquired shares immediately prior to reacquisition, of the total book liability included herein of actually outstanding shares of the particular class and series of stock of which the reacquired shares are a part.

Premium paid upon the redemption and retirement of capital stock shall be charged to earned surplus, *Provided*, however, That such premium may be charged to capital surplus to the extent that premium on original issuance of such stock retired and gains from reacquisition and resale of the same or any other class or series of capital stock are included in capital surplus, or may be disposed of in such other manner as the Commission may approve or direct.

§ 257.151 *Capital stock subscribed.* This account shall include the par or stated value of stock subscribed, or the agreed purchase price in case of stock without par or stated value. This account shall be charged when the subscriber has paid his subscription in full and is entitled to receive certificates representing the shares subscribed. Forms of proprietary interest other than capital stock shall be accounted for in a similar manner.

A separate subaccount shall be maintained for each class of stock.

Long-Term Debt

§ 257.152 *Funded debt.* This account shall include the total face amount of debt, including bonds, notes, certificates and other evidences of indebtedness, issued or assumed by the company maturing more than 1 year from date of issue, and which have not been reacquired and canceled. This account shall include receiver's certificates.

A separate subaccount shall be maintained for each class and series of funded debt showing the amount authorized, the amount issued, the amount reacquired and canceled, the amount outstanding, the date of issue, date of maturity, interest dates, and rate of interest.

NOTE: Advances from associate companies including advances represented by notes (except such as may be properly includible in current liabilities) shall be included in account 153, "Advances from associate companies."

§ 257.153 *Advances from associate companies.* This account shall include the face amount of notes owing associate companies, and the amount of credit balances in open accounts owing such companies, other than notes and credit balances in current accounts properly includible in current liabilities.

§ 257.154 *Other long-term debt.* This account shall include the face

amount of advances from nonassociate companies and individuals not classable as current liabilities, and other long-term debt not elsewhere provided for. This account shall not include debt represented by evidences of indebtedness includible in account 152, "Funded debt."

Current Liabilities

§ 257.160 *Notes payable; banks.* This account shall include the face amount of evidences of indebtedness to banks issued or assumed by the company (except interest coupons) which are payable on demand or not more than 1 year from date of issue.

§ 257.161 *Other notes payable.* This account shall include the face amount of evidences of indebtedness to other companies and individuals issued or assumed by the company (except interest coupons) which are payable on demand or not more than 1 year from date of issue.

NOTE: Records supporting the entries to this account shall be so kept that the company can report the amount of notes payable to (a) associate companies and (b) others.

§ 257.162 *Accounts payable.* This account shall include the amount of unpaid vouchers, accrued pay rolls, and other items currently due to creditors.

NOTE: Records supporting the entries to this account shall be so kept that the company can report the amount of accounts payable to (a) associate companies and (b) others.

§ 257.163 *Accrued interest on funded debt.* This account shall include the amount of unpaid interest accrued to the date of the balance sheet on actually outstanding indebtedness included in account 152, "Funded debt."

Records supporting the entries to this account shall be maintained to show the amount of unpaid interest accrued on each class and series of funded debt.

NOTE: This account shall be so kept that the company can report separately the amount of any matured interest unpaid.

§ 257.164 *Other accrued interest.* This account shall include the amount of unpaid interest accrued to the date of the balance sheet on advances from associate companies, and on other interest-bearing obligations except funded debt.

NOTE A: Records supporting the entries to this account shall be so kept that the company can report the amount of accrued interest on obligations payable to (a) associate companies and (b) others.

NOTE B: This account shall be so kept that the company can report separately the amount of any matured interest unpaid.

§ 257.165 *Dividends declared.* This account shall include the amount of dividends declared on actually outstanding stock but unpaid at the date of the balance sheet.

§ 257.166 *Accrued taxes.* This account shall include the amount of unpaid taxes accrued.

A subaccount shall be maintained for each kind of tax.

§ 257.167 *Other current liabilities.* This account shall include all liabilities of a current character not provided for in accounts 160 to 166, inclusive. An ap-

propriate subaccount shall be kept for each class of liabilities.

Deferred Credits

§ 257.170 *Premium on funded debt.* This account shall include the total of the credit balances, of those accounts having credit balances, of the discount, expense and premium accounts for all classes and series of funded debt.

A separate discount, expense and premium account shall be maintained to include both discounts suffered and premiums realized, together with expenses incurred in connection with the issue and sale of each class and series of funded debt issued or assumed by the company.

Premium realized in connection with the issue and sale of funded debt shall be amortized by the consistent application of a rule by which the entire amount of premium pertaining to any issue shall be amortized through such regular credits to income account 252, "Amortization of premium on debt—Credit," as will equitably distribute the balance thereof during the life of such issue.

When an issue of funded debt, or any part thereof, is retired prior to maturity and not in connection with a refunding operation, any remaining balance of premium pertaining thereto shall be credited to earned surplus, except as the Commission shall otherwise approve or direct.

When an issue of funded debt, or any part thereof, is refunded, and at the date of refunding there is a balance of unamortized premium relating thereto, the amount of such balance shall be disposed of in such manner as the Commission may approve or direct.

§ 257.171 *Other deferred credits.* This account shall include the total of credit balances in suspense accounts not otherwise provided for which cannot be properly disposed of until additional information is received.

Records supporting the entries to this account shall be kept in such manner that the company can furnish full particulars concerning any item.

Reserves

§ 257.180 *Reserve for depreciation.* It is the purpose of the reserve to accumulate, during the useful life of physical property, an amount sufficient to write off the book amount, plus cost of removal, less salvage, of all classes of depreciable property included in account 101, "Miscellaneous investments."

Credits to this account shall be made in such way that operations of each year shall bear a proportionate share of the burden.

Debits shall be made in such way as to accomplish the purpose stated. To the extent that credits are made to this account such amounts shall be included in account 229, "Depreciation."

Any balance which, at the effective date of this system of accounts, the company may be carrying in retirement or depreciation reserves with respect to its property shall be transferred to this account and used for the purposes herein provided, subject to such ultimate disposition as the Commission may direct in respect of any excess thereof not required for such purposes.

§ 257.181 *Reserve for doubtful notes and accounts.* This account shall be credited with such amounts as may be charged to account 230, "Doubtful notes and accounts," to provide for uncollectible items included in accounts 113 and 114. There shall be charged to this account any amounts covered thereby which have been found to be impracticable of collection. Any amounts which have been written off through charges to this account and subsequently collected shall be credited to this account.

NOTE: If this reserve account is not maintained, amounts included in accounts 113 and 114, which have been found to be uncollectible, shall be charged to expense account 230, "Doubtful notes and accounts." Subsequent recovery of any amount charged off shall be credited to the same account.

§ 257.182 *Reserve for adjustment of assets acquired in reorganization.* This account shall include the balance of the excess of assets acquired, over the par value of the company's capital stock plus its debts in respect of assets acquired in reorganization under circumstances set forth in § 257.0-9, which states the purposes for which debits and credits may be made to this account.

§ 257.183 *Other reserves.* This account shall include the total of the balances in such reserves as are maintained by the company in addition to reserves elsewhere specifically provided.

A subdivision of this account shall be provided for each reserve, the title of which shall indicate the purpose for which the reserve is maintained.

The records pertaining to each reserve shall be kept in such manner that the company can readily furnish information in respect of the charges and credits made thereto.

Surplus

§ 257.190 *Capital surplus.* This account shall include all surplus arising from sources other than those classifiable under earned surplus accounts. (Note § 257.0-14.) Records supporting the entries to this account shall be kept in such manner as to disclose the nature and source thereof, and as to enable the company to furnish full particulars concerning any item.

Subaccounts shall be maintained as follows:

(a) *Paid-in surplus.* This subaccount shall include such items as amounts paid in for capital stock over amounts credited to account 150, "Capital stock," in respect of such stock; surplus arising from donations of the company's stock by stockholders, or from a reduction of the par or stated value of the company's stock; net gains from the reacquisition or resale of the company's stock; and debt of the company forgiven by stockholders.

(b) *Other capital surplus.* This subaccount shall include capital surplus arising from sources other than those enumerated under subaccount (a), "Paid in surplus."

§ 257.191 *Earned surplus.* This account shall include the balance in earned surplus account. (Note § 257.0-14.)

INCOME ACCOUNTS

Income

§ 257.200 *Dividends.* This account shall include the revenues derived by the company from dividends on stocks of other companies the investment in which is included in account 100, "Investment securities and advances." Dividends shall not be credited to this account before they have been paid or declared.

Records shall be maintained in such manner that the company can report separately the amount of revenue from dividends on stocks of (a) subsidiaries, majority-owned, which are (1) consolidated and (2) not consolidated in the consolidated income account of the company, (b) other statutory subsidiaries, (c) other associate companies, and (d) other companies. (Note § 257.0-4 (d) and (1).)

NOTE A: A dividend received in stock of a paying company of the same class as the stock on which such dividend is paid shall not be treated as income. No amount shall be charged to investments or credited to income or surplus from any such dividend stock at any value at the time such dividend is received. Proceeds realized from subsequent sale or disposal of the stock so received as a dividend, or of the stock in respect of which the dividend was paid, shall be accounted for as appropriate, proper credit being given in the investment account for the proportion of the book amount applicable to the shares sold or disposed of. Any profit or loss resulting from the transaction shall be credited or debited to accounts 204, 301, or 311, as appropriate.

NOTE B: A dividend received in stock of a paying company of a class other than that on which such dividend is paid may, with prior approval of the Commission, be treated as income. If not treated as income, the book amount at which the company carries the stock on which such dividend is declared shall be appropriately allocated between the stock previously held and the stock received as a dividend. Such allocation shall be subject to the approval of the Commission.

NOTE C: Dividends on stocks of other companies held in sinking or other special funds shall be credited to account 203, "Income from sinking and other special funds."

NOTE D: Dividends from earnings of the paying company prior to acquisition by the accounting company of the stock in respect of which the dividend was paid shall not be taken up as income or surplus but shall be treated as a distribution of capital.

NOTE E: This account shall not include dividends on stocks issued or assumed by the accounting company and owned by it, whether held in its treasury, in sinking or other special funds, or pledged as collateral.

§ 257.201 *Interest.* This account shall include interest on bonds, notes, and other evidences of indebtedness of, and advances to, companies, the investment in which is included in account 100, "Investment securities and advances." Interest shall not be credited to this account before actual collection, unless its payment is reasonably assured by past experience, guaranty, anticipated provisions, or otherwise.

Records shall be maintained in such manner that the company can report separately the amount of revenue from interest on investments in (a) subsidiaries, majority-owned, which are (1) consolidated and (2) not consolidated in the consolidated income account of

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the company, (b) other statutory subsidiaries, (c) other associate companies, and (d) other companies. (Note § 257.0-4 (d) and (l).)

NOTE A: Interest on securities of other companies held in sinking or other special funds shall be credited to account 203, "Income from sinking and other special funds."

NOTE B: This account shall not include interest on securities issued or assumed by the accounting company and owned by it, whether held in its treasury, in sinking or other special funds, or pledged as collateral.

§ 257.202 *Income from miscellaneous investments.* This account shall include income from securities and other investments carried in account 101, "Miscellaneous investments."

NOTE A: Income from securities of other companies held in sinking or other special funds shall be credited to account 203, "Income from sinking and other special funds."

NOTE B: This account shall not include interest or dividends on securities issued or assumed by the accounting company and owned by it, whether held in its treasury, in sinking or other special funds, or pledged as collateral.

§ 257.203 *Income from sinking and other special funds.* This account shall include the income from cash, securities of other companies, and other assets held in sinking or other special funds.

NOTE A: No dividends or interest on securities issued or assumed by the company shall be credited to this account.

NOTE B: If income is required to be retained in the fund and the fund is required to be represented by a reserve, the amount of such accretions to the fund shall be charged to account 280, "Income appropriated to sinking and other special fund reserves," or to account 313, "Surplus appropriated to reserves," and the appropriate fund reserve correspondingly credited.

§ 257.204 *Other income.* This account shall include all other income of the company not provided for in accounts 200 to 203, inclusive, such as interest and dividends on temporary cash investments, interest on current open accounts, profit (or loss) on sale of temporary cash investments, profit (or loss) from foreign exchange transactions, cash discounts not otherwise applied, and other miscellaneous items of income.

NOTE: This account shall not include interest or dividends on securities issued or assumed by the company and owned by it, whether held in its treasury, in sinking or other special funds, or pledged as collateral.

EXPENSES

GENERAL NOTE: Records supporting the charges to each expense account shall be kept in such manner that the company can, if so required, report separately the amount of charges included therein representing transactions with (a) associate companies, (b) affiliates other than associate companies, and (c) companies, firms, or individuals, that are neither associate companies nor affiliates.

§ 257.210 *Salaries.* This account shall include the pay of all persons in the regular employ of the company.

Include in this account the pay of officers, their assistants, attorneys, engineers, accountants, clerks, stenographers, typists, messengers, telephone operators, and all other employees.

Records supporting the charges to this account shall be kept in such manner as to show the identity, title of position, and salary, of each employee included herein.

NOTE: Special fees paid for legal or other professional service rendered by persons outside the regular staff of the company are not includible in this account. (See accounts 213 and 217.)

§ 257.211 *Expenses of officers and employees.* This account shall include expenses of officers and employees whose salaries are charged to account 210, "Salaries."

Include in this account railway, automobile, and other transportation service, meals, lodging, and other incidental expenses, cost of meals incident to overtime work, and other similar items.

§ 257.212 *Directors' fees and expenses.* This account shall include fees, traveling and other incidental expenses payable to directors of the company for attendance at board or committee meetings.

This account shall be kept in such manner that the company can furnish, if required, the amount of fees and the amount of expenses paid to each director.

§ 257.213 *Legal service.* This account shall include the cost of legal services rendered by persons outside the company, including service companies.

Charge to this account fees, retainers, and expenses of counsel and attorneys specially employed.

NOTE: Salaries and expenses of counsel and attorneys in the legal department of the company shall be included respectively in account 210, "Salaries," and account 211, "Expenses of officers and employees."

§ 257.217 *Other professional service.* This account shall include the cost of professional services (other than legal service) rendered by persons outside the company, including service companies.

Charge to this account fees and expenses of individuals or firms specially employed for professional service, including engineering, tax, accounting, auditing, and other services.

NOTE: Salaries and expenses of regular employees shall be charged to account 210, "Salaries," and account 211, "Expenses of officers and employees."

§ 257.218 *Advertising.* This account shall include fees paid to advertising agents; cost of printing, publishing, and distributing folders and other advertising matter; amounts paid for the use of radio broadcasting facilities for advertising purposes, and cost of radio programs; and amounts paid for advertising through other media.

NOTE A: No amount for salaries and expenses of regular employees of the company shall be included in this account.

NOTE B: The cost of publishing corporate and financial notices shall be charged to account 228, "Other expenses."

§ 257.219 *General office and other rents.* This account shall include rental for space occupied in buildings for general offices and other general purposes, vault and safety-deposit box rents, and rentals for office and other equipment used for general purposes.

NOTE: Rentals for telephone and other communication equipment shall be charged to account 220, "Telephone and telegraph."

§ 257.220 *Telephone and telegraph.* This account shall include the cost of telephone and telegraph service, exclusive of salaries of telephone, telegraph, and teletypewriter operators, and other employees engaged in the operation of communication equipment.

Include in this account amounts payable to telephone and telegraph companies for local and long distance service, including charges for the use of private exchange switchboards, teletypewriters, leased or rented lines, and other equipment regularly used by the company for communication purposes.

NOTE A: Charges for the use of radio broadcasting facilities for advertising purposes shall be charged to account 218, "Advertising."

NOTE B: Salaries of telephone, telegraph, and teletypewriter operators, and other employees regularly engaged in the operation of communication equipment shall be charged to account 210, "Salaries."

§ 257.221 *Stationery and printing.* This account shall include the cost of stationery and printing, and stationery supplies, except as provided for elsewhere.

NOTE A: The cost of printing briefs and other legal papers shall be charged to account 228, "Other expenses." The cost of printing signs, posters, and other advertising matter shall be charged to account 218, "Advertising."

NOTE B: The cost of repairing typewriters, duplicating machines, multigraph machines, and other office appliances shall be charged to account 222, "Office furniture and miscellaneous equipment expense."

§ 257.222 *Office furniture and miscellaneous equipment expense.* This account shall include the cost of repairs to office furniture and equipment, including calculating machines, typewriters, duplicating machines, multigraph machines, mimeograph machines, and other mechanical office appliances; also cost of repairs to automobiles and other miscellaneous equipment used for general purposes.

This account shall include the cost of items having an expected life in service of not more than 1 year and not included in account 101, "Miscellaneous investments."

§ 257.223 *Other office supplies and expenses.* This account shall include the cost of office supplies and expenses not chargeable to other accounts.

Include in this account the cost of light and power, fuel, heat, ice, cleaning supplies, and towel service; postage, freight and express charges; books, periodicals and newspapers; charts; maps; and other similar items; also all office supplies not chargeable elsewhere.

NOTE: No amount for salaries and expenses of regular employees of the company shall be included in this account.

§ 257.224 *Insurance.* This account shall include the cost of commercial insurance to protect the company against losses and damages.

Include in this account premiums paid for fire, fidelity, casualty, burglary, public liability and property damage, employer's liability, and other forms of in-

insurance coverage; and incidental expenses incurred in connection with procuring insurance.

Recoveries from insurance companies for loss or damage shall be credited to the account chargeable with the loss or damage.

NOTE A: No amount for salaries and expenses of officers and employees in the regular employ of the company shall be included in this account.

NOTE B: The cost (premiums paid, less cash surrender value) of insurance on lives of officers and employees shall be charged to account 228, "Other expenses," when the company is the beneficiary of such insurance. Premiums paid by the company for group life insurance for employees shall also be charged to account 228, "Other expenses."

§ 257.225 Dues and memberships. This account shall include, except as prohibited by rules, regulations, or orders of the Commission, initial fees paid by the company for membership in trade or other associations and annual or other periodic dues to such associations for continuing membership therein; also, dues and membership fees assumed and paid by the company on behalf of employees for membership in technical societies or other professional organizations.

§ 257.226 Contributions and donations. This account shall include contributions or donations by the company, such as contributions or donations to community chests or other community welfare organizations, and contributions or donations having a direct or intimate relation to the welfare of its employees.

NOTE: The records supporting the charges to this account shall be kept in a manner to show in respect of each contribution or donation, the identity of the organization, institution, or person receiving the contribution or donation, the purpose thereof, and the amount.

§ 257.227 Corporate and fiscal expense. This account shall include expense of holding meetings of stockholders, cost of publishing corporate, dividend, and redemption notices, fees of stock transfer agents and registrars, fees and expenses of trustees and fiscal agents, expense of listing securities on stock exchanges, and other analogous items.

§ 257.228 Other expenses. This account shall include all operating expenses not provided for elsewhere.

Include in this account the cost of printing legal briefs and papers not chargeable to other accounts, losses not covered by insurance or elsewhere provided for, cost of insurance on lives of officers when the company is the beneficiary of such insurance; premiums on group life insurance for employees and other employees' welfare expense; and other expenses not properly chargeable to other accounts.

§ 257.229 Depreciation. This account shall include such amounts as are charged to operation for depreciation of physical property included in account 101, "Miscellaneous investments."

§ 257.230 Doubtful notes and accounts. This account shall include such charges as may be made to provide a re-

serve for uncollectible notes and accounts classified as current assets. Amounts thus charged shall be credited to account 181, "Reserve for doubtful notes and accounts."

If a reserve for doubtful notes and accounts is not maintained, this account shall include the amount written off in respect to notes and accounts classified as current assets which have proved impracticable of collection. If an item which has been written off through this account is subsequently collected, the amount of the collection shall be credited to this account.

NOTE: This account shall not include losses on notes and accounts included in investments or charges to provide a reserve for such losses.

§ 257.240 Taxes, other than income taxes. This account shall include provision for all taxes, applicable to the period for which the income account is stated, except income and excess profits taxes which shall be charged to account 270, "Income taxes." Taxes accrued through this account prior to their payment shall be credited to account 166, "Accrued taxes."

This account shall be kept in such manner as to show the amount of each class of taxes.

NOTE: Taxes in respect of interest on securities containing a tax-free covenant shall be included in account 253, "Taxes assumed on interest."

OTHER DEDUCTIONS FROM INCOME

§ 257.250 Interest on funded debt. This account shall include the amount of interest applicable to the period for which the income account is stated on all classes and series of funded debt actually outstanding. Interest accrued through this account prior to the payment thereof shall be credited to account 163, "Accrued interest on funded debt."

NOTE A: This account shall not include interest on securities issued or assumed by the company and owned by it, whether held in its treasury, in special deposits, in sinking or other special funds, or pledged as collateral.

NOTE B: Interest expressly provided for and included in the face amount of obligations issued shall be charged at the time of issuance to balance sheet account 125, "Prepayments," and cleared to this account as the term expires to which the interest applies.

§ 257.251 Amortization of debt discount and expense. This account shall include such proportion of the unamortized debit balances in each discount, premium and expense account for funded debt as is applicable to the period for which the income account is stated.

§ 257.252 Amortization of premium on debt-credit. This account shall include such proportion of the unamortized credit balances in each discount, premium and expense account for funded debt as is applicable to the period for which the income account is stated.

§ 257.253 Taxes assumed on interest. This account shall include the amount of taxes payable by the company in respect of interest on actually outstanding debt issued under mortgages, trust deeds,

or other agreements, which contain a tax-free covenant.

§ 257.254 Other interest deductions. This account shall include all interest deductions other than interest on funded debt.

Include in this account interest on notes payable, advances from other companies, judgments, and other obligations in respect of which interest is payable.

NOTE: Records supporting the charges to this account shall be kept in such manner that the company can report the amount of interest deductions payable to (a) associate companies and (b) others.

§ 257.255 Miscellaneous amortization charges to income. This account shall include charges for amortization of commissions and expense on capital stock when the company elects to amortize such items through such regular charges to income as will equitably distribute the amount thereof over a definite period. Include also such other amortization charges as may be properly includible herein.

§ 257.256 Provision for amortization of investments. This account shall include such amounts as may be charged to income to provide a reserve against which to write off the book amount of specific investments. Charges made to this account shall be in accordance with a definite plan for amortizing the book amount of a specific investment over a definite period. Amounts charged to this account shall be credited to an appropriate reserve account.

§ 257.257 Other deductions from income. This account shall include all items not provided for elsewhere properly chargeable to income of the period for which the income account is stated.

INCOME TAXES

§ 257.270 Income taxes. This account shall include provision for Federal income and excess profits taxes; and for other income taxes, applicable to the period for which the income account is stated. Taxes accrued through this account prior to their payment shall be credited to account 166, "Accrued taxes."

This account shall be kept in such manner as to show the amount of each class of taxes.

APPROPRIATIONS OF NET INCOME

§ 257.280 Income appropriated to sinking and other special fund reserves. This account shall include amounts of income appropriated to sinking fund and other special fund reserves, and accretions to such funds representing interest or other returns on the assets therein.

NOTE: Amounts charged to this account shall be concurrently credited to the appropriate subaccount under account 183, "Other reserves."

§ 257.281 Other appropriations of income. This account shall include appropriations of income for purposes not provided for elsewhere.

Amounts charged to this account shall be concurrently credited to the appropriate reserve account.

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EARNED SURPLUS ACCOUNTS
CREDITS

§ 257.300 *Net income balance.* This account shall include the net balance resulting from closing at the end of each fiscal year the income primary accounts 200 to 281, inclusive.

§ 257.301 *Profit from sale of investments.* This account shall include profits (after deduction of taxes and other related expense) realized from sale or disposal of investments included in investment, sinking fund, or miscellaneous special fund accounts.

NOTE A: Profits realized from sale or disposal of investments which were acquired and recorded in the company's accounts under the circumstances set forth in § 257.0-9, "Investments acquired in reorganization," shall be accounted for as provided therein.

NOTE B: Profits realized from the sale of temporary cash investments shall be credited to account 204, "Other income."

NOTE C: The provisions of this account shall not apply to securities issued or assumed by the company and owned by it, whether held in its treasury, in sinking or other special funds, or pledged as collateral.

§ 257.305 *Other credits to earned surplus.* This account shall include all credits to earned surplus not elsewhere provided for.

The account shall be so kept that the company can readily furnish details as to the nature and amount of each item credited to the account.

DEBITS

§ 257.310 *Dividend appropriations of earned surplus.* This account shall include the amount of earned surplus appropriated for dividends declared on capital stock actually outstanding.

This account shall be so kept as to show separately the amount of dividends on each class of stock.

If the dividend is not payable in cash, the consideration shall be described in the entry with sufficient particularity to identify it.

NOTE: This account shall not include dividends on capital stock issued or assumed by the company and owned by it, whether held in its treasury, in sinking or other special funds, or pledged as collateral.

§ 257.311 *Loss from sale of investments.* This account shall include losses sustained from the sale or disposal of investments included in investment, sinking fund, or other special fund accounts, to the extent that such losses exceed the amount of reserves provided therefor.

NOTE A: Losses sustained from sale or disposal of investments which were acquired and recorded in the company's accounts under the circumstances set forth in § 257.0-9, "Investments acquired in reorganization," shall be accounted for as provided therein.

NOTE B: Losses sustained from the sale of temporary cash investments shall be charged to account 204, "Other income."

NOTE C: The provisions of this account shall not apply to securities issued or assumed by the company and owned by it, whether held in its treasury, in sinking or other special funds, or pledged as collateral.

§ 257.312 *Investments written down or written off.* This account shall include such amounts as may be credited

to investment, sinking fund, or other special fund accounts to write down or write off the book amount of specific investments included therein to the extent that such amounts have not been provided for in reserves.

Amounts charged to this account as well as amounts charged for the same purpose to reserves shall be credited directly to the appropriate investment or other account in which is included the book amount of the investment to which the charges relate. Charges and credits as contemplated by this account shall not be made unless they represent a definitely recognized loss. The account shall not be used to record fluctuations in the market value of securities owned; charges made to provide a reserve for this purpose shall be included in account 313, "Surplus appropriated to reserves."

NOTE A: Losses sustained from sale or disposal of investments shall not be included in this account.

NOTE B: The provisions of this account shall not apply to securities issued or assumed by the company and owned by it, whether held in its treasury, in sinking or other special funds, or pledged as collateral.

§ 257.313 *Surplus appropriated to reserves.* This account shall include appropriations of earned surplus which are to be set aside in special reserve accounts. Include amounts appropriated to sinking fund and other special fund reserves, and to other reserves maintained by the company.

Amounts charged to this account shall be credited to appropriate reserve accounts. Each entry in the account shall specify the particular reserve to be credited.

§ 257.315 *Other debits to earned surplus.* This account shall include all other charges to earned surplus not elsewhere provided for.

The account shall be so kept that the company can furnish details as to the nature and amount of each item debited to the account.

ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 47-9697; Filed Oct. 29, 1947;
8:48 a. m.]

TITLE 20—EMPLOYEES'
BENEFITS

Chapter III—Social Security Administration (Old Age and Survivors Insurance), Federal Security Agency

[Regs. 3, Further Amended]

PART 403—FEDERAL OLD-AGE AND SURVIVORS INSURANCE

AVERAGE MONTHLY WAGE; PROOF OF "LIVING WITH"

Regulations No. 3, as amended (20 CFR, Cum. Supp., 403.1 et seq.), are further amended as follows:

1. Section 403.101, Subpart H, is amended to read as follows:

§ 403.101 *Scope of regulations in this part.* * * *

Subpart H: Definitions:
General Definitions (§ 403.801).

Employment (§§ 403.802—403.826 (a)).
Wages (§§ 403.827—403.828).
Family Relationships (§§ 403.829—403.835).

2. The third undesignated paragraph of § 403.302 is amended to read as follows:

§ 403.302 *Average monthly wage.*

"Total wages" means all the wages paid to the individual before the quarter in which he died or became entitled (on his last application for benefits or recomputation for benefits) to primary insurance benefits, whichever occurred first, except wages for services performed in the employ of an international organization as defined by section 209 (b) (16) of the act prior to January 1, 1946 (see § 403.826a). (All wages paid for services performed before such individual attained the age of 22 are included in his total, but remuneration for services performed by such individual after he attained the age of 65, and prior to January 1, 1939, is excluded, since such remuneration is not wages under section 209 (a) of the act (see §§ 403.802 and 403.827)).

3. Section 403.702 (f) is amended to read as follows:

§ 403.702 *Supporting evidence as to right to receive benefits and lump sums.* * * *

(f) Evidence of "living with" wage earner—(1) *Wife or widow.* A wife who applies for benefits based upon the wages of her husband, and a widow who applies for benefits, or where her husband died after December 31, 1946, for a lump sum, based upon the wages of her deceased husband, shall file evidence that she was living with her husband at the time of filing her application or at the time of the husband's death (see §§ 403.403, 403.405, 403.406, and 403.408), as the case may be. Such evidence should be one of the following:

(i) A signed statement by the wife and the husband, or by the widow, that the husband and wife, at the time above stated, were living together at the same place of abode, and customarily so lived together, and giving the address of such place. If the wife or widow and her husband were temporarily living apart, the signed statement by the husband and wife, or by the widow, should state the places of residence of the husband and wife, the reason for their separation, the length of time they had been separated, and the expected duration of the separation; or

(ii) A certified copy of an order or decree of a court of competent jurisdiction directing the husband to contribute to the support of the wife or widow and a certification by the proper official of the court that such order had not been revoked or modified prior to the time in question; or

(iii) A signed statement by the wife and the husband, or by the widow, that the husband was making regular contributions toward the wife's support, and describing the amount, time or times, and manner of making such contributions. If the husband is living and his statement is not obtainable, the reason

therefor shall be stated and the signed statements of two other persons may be substituted for that of the husband.

(2) *Widower.* A widower who applies for a lump sum based upon the wages of his wife who died after December 31, 1946, shall file evidence that he was living with his wife at the time of the wife's death (see § 403.408).

Such evidence should be a signed statement by the widower, that the husband and wife, at the time of the wife's death, were living together at the same place of abode, and customarily so lived together, and giving the address of such place. If the widower and his wife were temporarily living apart, the signed statement by the widower should state the places of residence of the husband and wife, the reason for their separation, the length of time they had been separated, and the expected duration of the separation.

If the evidence described in subparagraph (1) or (2) of this paragraph, as the case may be, is not obtainable, the reason therefor shall be stated and the applicant may submit other evidence of probative value.

(Sec. 1102, 49 Stat. 647, sec. 205 (a), 53 Stat. 1368, sec. 4 of Reorganization Plan No. 2 of 1946, 60 Stat. 1095; 42 U. S. C. 405 (a), 1302; 45 CFR, 1946 Supp., 1.21)

Dated: October 23, 1947.

[SEAL] A. J. ALTMAYER,
Commissioner for Social Security.

Approved: October 24, 1947.

OSCAR R. EWING,
Federal Security Administrator.

[F. R. Doc. 47-9676; Filed, Oct. 29, 1947;
8:50 a. m.]

TITLE 42—PUBLIC HEALTH

Chapter I—Public Health Service, Federal Security Agency

Subchapter F—Quarantine, Inspection, Licensing

PART 71—FOREIGN QUARANTINE

CATS, DOGS AND MONKEYS

Section 71.154 (e) (12 F. R. 6205) is amended to read as follows:

§ 71.154 *Cats, dogs and monkeys.* * * *

(e) The provisions of paragraphs (a) and (b) of this section shall not be applicable in the case of cats, dogs, or monkeys brought in from Bermuda, Canada, Denmark, Eire, Norway, Sweden, or the United Kingdom of Great Britain and Northern Ireland. The provisions of paragraph (a) of this section shall not be applicable in the case of cats, dogs, or monkeys brought in from Australia or New Zealand.

Omission of notice of proposed rule-making. Notice of proposed rule-making, and public rule-making proceedings have been found to be unnecessary with respect to the foregoing amendment for the reason that it renders inapplicable restrictions on the importation of cats, dogs, and monkeys from Denmark and Norway, and imposes no new requirements. Such notice and proceedings have therefore been omitted.

Effective date. The foregoing amendment shall be effective upon publication in the FEDERAL REGISTER.

(Secs. 215, 361-369, 58 Stat. 690, 703-706; 42 U. S. C. 216, 264-272)

Dated: October 16, 1947.

[SEAL] THOMAS PARRAN,
Surgeon General.

Approved: October 24, 1947.

OSCAR R. EWING,
Federal Security Administrator.

[F. R. Doc. 47-9677; Filed, Oct. 29, 1947;
8:48 a. m.]

TITLE 49—TRANSPORTATION AND RAILROADS

Chapter I—Interstate Commerce Commission

[S. O. 775, Amdt. 1]

PART 95—CAR SERVICE

DEMURRAGE ON RAILROAD FREIGHT CARS

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 24th day of October A. D. 1947.

Upon further consideration of Service Order No. 775 (12 F. R. 6784), and good cause appearing therefor: It is ordered that:

Section 95.775 *Demurrage on railroad freight cars* of Service Order 775 be and it is hereby amended by substituting the following paragraph (c) (2) for paragraph (c) (2) thereof:

(c) *Application.* * * *

(2) *Description of cars subject to this order.* This order shall apply to all freight cars subject to published demurrage charges on file with the Interstate Commerce Commission or State Commissions.

Effective date. This amendment shall become effective at 7:00 a. m., November 1, 1947.

Computation of demurrage on effective date of amendment. The number of days a freight car has been held prior to the effective date of this amendment, counted according to demurrage tariff rules, shall determine the charges applicable on that car on and after the effective date of this amendment.

It is further ordered, a copy of this amendment be served upon the State railroad regulatory bodies of each State, and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(Sec. 1, 24 Stat. 379, as amended, 40 Stat. 101, sec. 402, 41 Stat. 476, sec. 4, 54 Stat. 901; 49 U. S. C. 1 (10)-(17))

By the Commission, Division 3.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 47-9672; Filed, Oct. 29, 1947;
8:48 a. m.]

[S. O. 783, Corr.]

PART 97—ROUTING OF TRAFFIC

REROUTING OF LOADED CARS; APPOINTMENT OF AGENT

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 21st day of October A. D. 1947.

It appearing, that there is a congestion of railroad traffic and loaded cars are not being transported with maximum efficiency to best promote the service in the interest of the public; the Commission is of opinion that an emergency requiring immediate action exists in the area named in paragraph (c) hereof: it is ordered, that,

§ 97.783 *Rerouting of loaded cars; appointment of agent—(a) Definitions.* (1) The term "common carrier" as used herein means a common carrier by railroad subject to the Interstate Commerce Act.

(2) The term "car" or "cars" as used herein means any loaded railroad freight car or cars.

(b) (1) *Designation.* E. W. Coughlin, 59 East Van Buren Street, Chicago, Illinois, is hereby designated and appointed as agent of the Interstate Commerce Commission and vested with the authority to reroute cars to, from or between common carriers in the area named in paragraph (c) of this section.

(2) *Outline of duties.* As agent, acting on instructions of the Director, Bureau of Service, he is hereby authorized and directed to order any common carrier to divert or reroute, over the line or lines of any common carrier, cars from the line of any common carrier operating in the area listed in paragraph (c) of this section which in his opinion cannot currently accept and move such traffic. Such rerouting or diversion shall be made regardless of the routing shown on the bill of lading designated by either shipper or carrier. Such diversion or rerouting shall be made either at point of origin or as soon as possible thereafter. A copy of each order issued by the agent shall be furnished to the Director, Bureau of Service, on the date of issuance.

(c) *Area affected.* Connecticut, Delaware, District of Columbia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan (lower peninsula), Minnesota, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia and Wisconsin.

(d) *Execution of agent's orders.* Each common carrier, as it may be affected by Agent Coughlin's orders, shall perform the service required therein without delay.

(e) *Application.* The provisions of this section shall apply to cars moving in intrastate and foreign commerce as well as interstate commerce.

(f) *Rates to be applied.* Inasmuch as such disregard of routing is deemed to be due to carrier's disability, the rates applicable to traffic so forwarded by routes other than those designated by shippers, or by carriers shall be the rates which were applicable at date of shipment over the routes so designated.

RULES AND REGULATIONS

(g) *Division of rates.* In executing the orders and directions of the Commission provided for in this section, common carriers affected shall proceed, even though no division agreements are in effect, over the routes authorized; divisions shall be, during the time this order remains in force, voluntarily agreed upon by and between said carriers; and upon failure of said carriers to so agree, the divisions shall be hereinafter fixed by the Commission in accordance with pertinent authority conferred upon it by the Interstate Commerce Act. If division agreements now exist on the traffic affected, over the routes herein authorized they shall not be changed or affected by this section.

(h) *Effective date.* This section shall become effective at 12:01 a. m., October 22, 1947.

(i) *Expiration date.* This section shall expire at 12:01 a. m., April 30, 1948

unless otherwise modified, changed, suspended or annulled by order of this Commission.

It is further ordered, that copies of this order and direction shall be served upon the State railroad regulatory bodies of each State named herein, and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this order shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(Sec. 1, 24 Stat. 379, as amended, 40 Stat. 101, secs. 402, 418, 41 Stat. 476, 485, secs. 4, 10, 54 Stat. 901, 912; 49 U. S. C. 1 (10)-(17), 15 (4))

By the Commission, Division 3.

[SEAL]

W. P. BARTEL,
Secretary.

[F. R. Doc. 47-9673; Filed, Oct. 29, 1947;
8:48 a. m.]

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service,
Department of the InteriorPART 1—MIGRATORY BIRDS AND GAME
MAMMALS

OPEN SEASONS ON WOODCOCK

CROSS REFERENCE: For an amendment of Proclamation 2739, which revised § 1.4, see Proclamation 2752 under Title 3, *supra*, providing for the extension or re-opening of open seasons on woodcock in those States where hunting has been prohibited by State action by reason of emergency fire-hazard conditions.

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing
Administration

[7 CFR, Part 722]

NATIONAL MARKETING QUOTA FOR COTTON
FOR 1948-49 MARKETING YEARNOTICE OF DETERMINATION TO BE MADE BY
SECRETARY OF AGRICULTURE

The marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1341-1350), require that not later than November 15, 1947, the Secretary of Agriculture shall find and proclaim the total supply, the normal supply, and the carry-over of

cotton as of August 1, 1947; the probable domestic consumption of American cotton during the 1947-48 marketing year; the probable exports of American cotton during such marketing year; the estimated carry-over of cotton as of August 1, 1948; and the amount of the national allotment of cotton for the calendar year 1948. If it is determined that the total supply of cotton for the 1947-48 marketing year exceeds by more than seven per centum the normal supply thereof for such marketing year, the Secretary shall proclaim such fact not later than November 15, 1947, and marketing quotas will be in effect during the 1948-49 marketing year with respect to the marketing of cotton.

Any person interested in the aforementioned determinations and proclamations to be made by the Secretary may submit his views thereon to the Director, Cotton Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C. All submissions must be postmarked not later than November 8, 1947.

Issued at Washington, D. C., this 27th day of October 1947.

[SEAL]

RALPH S. TRIGG,
Acting Administrator.

[F. R. Doc. 47-9686; Filed, Oct. 29, 1947;
8:48 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Misc. 1781124]

ARIZONA

NOTICE OF FILING OF PLATS OF SURVEY
ACCEPTED JANUARY 4, 1946

OCTOBER 22, 1947.

Notice is given that the plats of survey of lands hereinafter described will be officially filed in the District Land Office, Phoenix, Arizona, effective at 10:00 a. m. on December 24, 1947. At that time the lands shall, subject to valid existing rights and the provisions of existing withdrawals, become subject to application, petition, location, or selection as follows:

(a) *Ninety-day period for preference-right filings.* For a period of 90 days from December 24, 1947, to March 23, 1948, inclusive, the public lands affected by this order shall be subject to (1) ap-

plication under the homestead or the desert land laws, or the small tract act of June 1, 1938 (52 Stat. 609, 43 U. S. C. sec. 682a), as amended, by qualified veterans of World War II, for whose service recognition is granted by the act of September 27, 1944 (58 Stat. 747, 43 U. S. C. secs. 279-283), subject to the requirements of applicable law, and (2) application under any applicable public-land law, based on prior existing valid settlement rights and preference rights conferred by existing laws or equitable claims subject to allowance and confirmation. Applications by such veterans shall be subject to claims of the classes described in subdivision (2).

(b) *Twenty-day advance period for simultaneous preference-right filings.* For a period of 20 days from December 4, 1947, to December 24, 1947, inclusive, such veterans and persons claiming preference rights superior to those of such veterans, may present their applications, and all such applications, to-

gether with those presented at 10:00 a. m. on December 24, 1947, shall be treated as simultaneously filed.

(c) *Date for non-preference-right filings authorized by the public-land laws.* Commencing at 10:00 a. m. on March 24, 1948, any of the lands remaining unappropriated shall become subject to such application, petition, location, or selection by the public generally as may be authorized by the public-land laws.

(d) *Twenty-day advance period for simultaneous non-preference-right filings.* Applications by the general public may be presented during the 20-day period from March 4, 1948, to March 24, 1948, inclusive, and all such applications, together with those presented at 10:00 a. m. on March 24, 1948, shall be treated as simultaneously filed.

Veterans shall accompany their applications with certified copies of their certificates of discharge, or other satisfactory evidence of their military or naval service. Persons asserting prefer-

ence rights, through settlement or otherwise, and those having equitable claims, shall accompany their applications by duly corroborated affidavits in support thereof, setting forth in detail all facts relevant to their claims.

Applications for these lands, which shall be filed in the District Land Office, Phoenix, Arizona, shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations (Circular No. 324, May 22, 1914, 43 L. D. 254), and Part 296 of that title, to the extent that such regulations are applicable. Applications under the homestead laws shall be governed by the regulations contained in Parts 166 to 170, inclusive, of Title 43 of the Code of Federal Regulations and applications under the desert land laws and the small tract act of June 1, 1938, shall be governed by the regulations contained in Parts 232 and 257, respectively, of that title.

Inquiries concerning these lands shall be addressed to the Acting Manager, District Land Office, Phoenix, Arizona. The lands affected by this notice are described as follows:

GILA AND SALT LAKE MERIDIAN

- T. 6 N., R. 5 W.,
Secs. 1 to 30, inclusive;
Sec. 31, lots 1 to 8, inclusive, E $\frac{1}{2}$, NE $\frac{1}{4}$, NW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$;
Secs. 32 to 36, inclusive;
T. 7 N., R. 5 W.,
Sec. 35, E $\frac{1}{2}$, SW $\frac{1}{4}$;
Sec. 36, lots 1, 2, 3, 4, W $\frac{1}{2}$ W $\frac{1}{2}$, SE $\frac{1}{4}$.
T. 6 N., R. 6 W.,
Secs. 1 to 34, inclusive;
Sec. 35, lots 1 and 2, E $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$, SE $\frac{1}{4}$;
Sec. 36, lots 1 to 9, inclusive, N $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$.
T. 8 N., R. 10 W.,
Sec. 2, lots 1 to 8, inclusive, S $\frac{1}{2}$ S $\frac{1}{2}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$;
Secs. 3, 4, 5, 6, 7, 8 and 9;
Sec. 10, lots 1 to 5, inclusive, N $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$;
Secs. 16, 17 and 18.
T. 8 N., R. 11 W.

The areas described aggregate (exclusive of segregations) 76,121.89 acres.

These lands are rolling in topography, have sandy soils, with sparse growths of vegetation characteristic of the desert.

FRED W. JOHNSON,
Director.

[F. R. Doc. 47-9663; Filed, Oct. 29, 1947;
8:47 a. m.]

[Misc. 1828390]

ARIZONA

NOTICE OF FILING OF PLAT OF SURVEY
ACCEPTED MAY 17, 1945

OCTOBER 22, 1947.

Notice is given that the plat of extension survey of lands hereinafter described will be officially filed in the District Land Office, Phoenix, Arizona, effective at 10:00 a. m. on December 24, 1947. At that time the lands shall, subject to valid existing rights and the provisions of existing withdrawals, become subject to application, petition, location, or selection as follows:

(a) *Ninety-day period for preference-right filings.* For a period of 90 days from December 24, 1947, to March

23, 1948, inclusive, the public lands affected by this notice shall be subject to (1) application under the homestead or the desert land laws, or the small tract act of June 1, 1938 (52 Stat. 609, 43 U. S. C. sec. 682a), as amended, by qualified veterans of World War II, for whose service recognition is granted by the act of September 27, 1944 (58 Stat. 747, 43 U. S. C. secs. 279-283), subject to the requirements of applicable law, and (2) application under any applicable public-land law, based on prior existing valid settlement rights and preference rights conferred by existing laws or equitable claims subject to allowance and confirmation. Application by such veterans shall be subject to claims of the classes described in subdivision (2).

(b) *Twenty-day advance period for simultaneous preference-right filings.* For a period of 20 days from December 4, 1947, to December 24, 1947, inclusive, such veterans and persons claiming preference rights superior to those of such veterans, may present their applications, and all such applications, together with those presented at 10:00 a. m. on December 24, 1947, shall be treated as simultaneously filed.

(c) *Date for non-preference-right filings authorized by the public-land laws.* Commencing at 10:00 a. m. on March 24, 1948, any of the lands remaining unappropriated shall become subject to such application, petition, location, or selection by the public generally as may be authorized by the public-land laws.

(d) *Twenty-day advance period for simultaneous non-preference-right filings.* Applications by the general public may be presented during the 20-day period from March 4, 1948, to March 24, 1948, inclusive, and all such applications, together with those presented at 10:00 a. m. on March 24, 1948, shall be treated as simultaneously filed.

Veterans shall accompany their applications with certified copies of their certificates of discharge, or other satisfactory evidence of their military or naval service. Persons asserting preference rights, through settlement or otherwise, and those having equitable claims, shall accompany their applications by duly corroborated affidavits in support thereof, setting forth in detail all facts relevant to their claims.

Applications for these lands, which shall be filed in the District Land Office, Phoenix, Arizona, shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations (Circular No. 324, May 22, 1914, 43 L. D. 254), and Part 296 of that title, to the extent that such regulations are applicable. Applications under the homestead laws shall be governed by the regulations contained in Parts 166 to 170, inclusive, of Title 43 of the Code of Federal Regulations and applications under the desert land laws and the small tract act of June 1, 1938, shall be governed by the regulations contained in Parts 232 and 257, respectively, of that title.

Inquiries concerning these lands shall be addressed to the Acting Manager, District Land Office, Phoenix, Arizona.

The lands affected by this notice are described as follows:

GILA AND SALT RIVER MERIDIAN

- T. 20 S., R. 21 E.,
Secs. 1, 12, 13, 24, all;
Sec. 2, lots 1 to 7 inclusive, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$;
Sec. 11, lots 1 to 4 inclusive, E $\frac{1}{2}$;
Sec. 14, lots 1 to 4 inclusive, E $\frac{1}{2}$ E $\frac{1}{2}$;
Sec. 23, lots 1 to 4 inclusive, E $\frac{1}{2}$ NE $\frac{1}{4}$;
Sec. 25, lots 1 to 6 inclusive, N $\frac{1}{2}$, SW $\frac{1}{4}$;
Sec. 26, lots 1 to 4 inclusive;
Sec. 36, lots 1 to 9 inclusive, S $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$.

The area described aggregates 5,179.98 acres.

These lands are generally level desert lands.

FRED W. JOHNSON,
Director.

[F. R. Doc. 47-9664; Filed, Oct. 29, 1947;
8:47 a. m.]

Geological Survey

CALIFORNIA; STANISLAUS RIVER

POWER SITE CLASSIFICATION NO. 389

Pursuant to authority vested in me by the act of March 3, 1879 (20 Stat. 394; 43 U. S. C. 31), and by Departmental Order No. 2333 of June 10, 1947 (43 CFR 4.623; 12 F. R. 4025), the following described land is hereby classified as power sites insofar as title thereto remains in the United States and subject to valid existing rights; and this classification shall have full force and effect under the provisions of sec. 24 of the act of June 10, 1920, as amended by sec. 211 of the act of August 26, 1935 (16 U. S. C., Supp. V, 818):

MOUNT DIABLO MERIDIAN

- T. 1 N., R. 13 E.,
Sec. 15, NW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$;
Sec. 21, S $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$;
Sec. 22, W $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ W $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$;
Sec. 28, N $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$;
Sec. 29, W $\frac{1}{2}$ W $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$.
T. 1 S., R. 12 E.,
Sec. 1, lot 3.

The area described aggregates 205.97 acres.

JULIAN D. SEARS,
Acting Director.

OCTOBER 22, 1947.

[F. R. Doc. 47-9666; Filed Oct. 29, 1947;
8:48 a. m.]

CIVIL AERONAUTICS BOARD

[Docket Nos. 1666, 1706, 2375]

AMERICAN OVERSEAS AIRLINES, INC., ET AL.

NOTICE OF HEARING

In re American Overseas Airlines, Inc., Docket No. 1666; Pan American Airways, Inc., Docket No. 1706; Transcontinental & Western Air, Inc., Docket No. 2375.

In the matter of the compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith over the transatlantic routes of the above carriers and the Orders to Show Cause, published by the Board in Serial Orders Nos. E-883, 884, and 885.

Notice is hereby given that hearing in the above matter is assigned to be held on October 31, 1947, at 10 a. m., eastern standard time, in Room 1508, Department of Commerce Bldg., 14th Street and

NOTICES

Constitution Ave., NW., Washington, D. C., before Examiner Frank A. Law, Jr.

Dated at Washington, D. C., October 24, 1947.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 47-9685; Filed, Oct. 29, 1947;
8:50 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-915]

UNITED GAS PIPE LINE CO.

ORDER FIXING DATE OF HEARING

Upon consideration of the application filed June 19, 1947, as supplemented on August 27, 1947 and on September 30, 1947, by United Gas Pipe Line Company (Applicant), a Delaware corporation with its principal place of business in Shreveport, Louisiana, for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural gas transmission facilities, as fully described in such application, as supplemented, on file with the Commission and open to public inspection;

It appearing to the Commission that: This proceeding is a proper one for disposition under the provisions of Rule 32 (b) (18 CFR 1.32 (b)) of the Commission's rules of practice and procedure (effective September 11, 1946), Applicant having requested that its application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on July 9, 1947 (12 F. R. 4521).

The Commission, therefore, orders that:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure (effective September 11, 1946), a hearing be held on November 12, 1947, at 9:45 a. m. (e. s. t.), in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue, N. W., Washington, D. C., concerning the matters involved and the issues presented by such application as supplemented; *Provided, however,* That the Commission may, after a non-contested hearing, forthwith dispose of the proceeding pursuant to the provisions of Rule 32 (b) of the Commission's rules of practice and procedure (effective September 11, 1946).

(B) Interested State commissions may participate as provided by Rules 8 and 37 (f) (18 CFR 1.8 and 1.37 (f)) of the said rules of practice and procedure.

Date of issuance: October 24, 1947.

By the Commission:

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 47-9682; Filed, Oct. 29, 1947;
8:46 a. m.]

[Docket No. G-928]

UNITED GAS PIPE LINE CO.

ORDER FIXING DATE OF HEARING

Upon consideration of the application filed July 30, 1947, as supplemented on September 16, 1947, by United Gas Pipe Line Company (Applicant), a Delaware corporation with its principal place of business in Shreveport, Louisiana, for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural gas transmission facilities, as fully described in such application, as supplemented, on file with the Commission and open to public inspection;

It appearing to the Commission that: This proceeding is a proper one for disposition under the provisions of Rule 32 (b) (18 CFR 1.32 (b)) of the Commission's rules of practice and procedure (as amended June 16, 1947), Applicant having requested that its application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on August 19, 1947 (12 F. R. 5580).

The Commission, therefore, orders that:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure (as amended June 16, 1947), a hearing be held on November 13, 1947, at 9:30 a. m. (e. s. t.), in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue, N. W., Washington, D. C., concerning the matters involved and the issues presented by such application as supplemented; *Provided, however,* That the Commission may, after a non-contested hearing, forthwith dispose of the proceeding pursuant to the provisions of Rule 32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by Rules 8 and 37 (f) (18 CFR 1.8 and 1.37 (f)) of the said rules of practice and procedure.

Date of issuance: October 24, 1947.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 47-9661; Filed, Oct. 29, 1947;
8:46 a. m.]

[Docket No. G-929]

UNITED GAS PIPE LINE CO.

ORDER FIXING DATE OF HEARING

Upon consideration of the application filed July 30, 1947, as supplemented on September 5, 1947, by United Gas Pipe Line Company (Applicant), a Delaware corporation with its principal place of business in Shreveport, Louisiana, for a

certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural gas transmission facilities, as fully described in such application, as supplemented, on file with the Commission and open to public inspection;

It appearing to the Commission that: This proceeding is a proper one for disposition under the provisions of Rule 32 (b) (18 CFR 1.32 (b)) of the Commission's rules of practice and procedure (as amended June 16, 1947), Applicant having requested that its application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on August 20, 1947 (12 F. R. 5603).

The Commission, therefore, orders that:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure (as amended June 16, 1947), a hearing be held on November 13, 1947, at 9:45 a. m. (e. s. t.), in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue, NW., Washington, D. C., concerning the matters involved and the issues presented by such application as supplemented; *Provided, however,* That the Commission may, after a non-contested hearing, forthwith dispose of the proceeding pursuant to the provisions of Rule 32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by Rules 8 and 37 (f) (18 CFR 1.8 and 1.37 (f)) of the said rules of practice and procedure.

Date of issuance: October 24, 1947.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 47-9660; Filed, Oct. 29, 1947;
8:46 a. m.]

[Docket No. G-937]

CITIES SERVICE GAS CO.

ORDER FIXING DATE OF HEARING

Upon consideration of the application filed August 25, 1947, and supplement thereto filed on September 25, 1947, by Cities Service Gas Company (Applicant), a Delaware corporation having its principal office in Oklahoma City, Oklahoma, for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural gas facilities, subject to the jurisdiction of the Commission, as fully described in such application on file with the Commission and open to public inspection;

It appearing to the Commission that: This proceeding is a proper one for disposition under the provisions of Rule

32 (b) (18 CFR 1.32 (b)) of the Commission's rules of practice and procedure (as amended June 16, 1947), Applicant having requested that its application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filing of the application, including publication in the FEDERAL REGISTER on September 6, 1947 (12 F. R. 5956-57).

The Commission, therefore, orders that:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure (as amended June 16, 1947), a hearing be held on November 10, 1947, at 9:30 a. m. (e. s. t.), in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue, N. W., Washington, D. C., concerning the matters involved and the issues presented by such application; *Provided, however,* That the Commission may, after a non-contested hearing, forthwith dispose of the proceeding pursuant to the provisions of Rule 32 (b) of the Commission's rules of practice and procedure (as amended June 16, 1947).

(B) Interested State commissions may participate as provided by Rules 8 and 37 (f) (18 CFR 1.8 and 1.37 (f)) of the said rules of practice and procedure.

Date of issuance: October 24, 1947.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 47-9659; Filed, Oct. 29, 1947;
8:46 a. m.]

[Docket No. G-956]

NORTHERN NATURAL GAS CO.

NOTICE OF ORDER ACCEPTING AMENDED RATE
SCHEDULE FOR FILING AND TERMINATING
PROCEEDING

OCTOBER 24, 1947.

Notice is hereby given that, on October 24, 1947, the Federal Power Commission issued its order entered October 24, 1947, accepting amended rate schedule for filing and terminating proceeding in the above-designated matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 47-9658; Filed, Oct. 29, 1947;
8:46 a. m.]

INTERSTATE COMMERCE COMMISSION

[S. O. 396, Special Permit 334]

RECONSIGNMENT OF GRAPES AT CHICAGO,
ILL.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 396 (10 F. R. 15008), permission is granted for

any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 396 insofar as it applies to the reconsignment at Chicago, Ill. (CPT) October 14, 1947, by Frank Cuttome, of car SFRD 34733, grapes, now on the Chicago Produce Terminal to Smiling Jim Potato Co., Philadelphia, Pa. (B&O).

The waybill shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 23d day of October 1947.

HOMER C. KING,
Director,
Bureau of Service.

[F. R. Doc. 47-9671; Filed, Oct. 29, 1947;
8:48 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-1645]

MIDDLE WEST CORP. ET AL.

NOTICE OF FILING AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission held at its office in the city of Philadelphia, Pa., on the 23d day of October A. D. 1947.

In the matter of The Middle West Corporation, Public Service Company of Oklahoma, Oklahoma Power and Water Co., File No. 70-1645.

Notice is hereby given that The Middle West Corporation ("Middle West"), a registered holding company, its subsidiary, Oklahoma Power and Water Co. ("Power and Water"), and Public Service Company of Oklahoma ("Public Service"), a public utility subsidiary of Central and South West Corporation, also a registered holding company, have filed joint applications-declarations, and amendments thereto, with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("act"). Applicants-declarants have designated sections 9 (a), 10, 12 (c), 12 (d) and 12 (f) of the act and Rules U-42, U-43 and U-44 promulgated thereunder as applicable to the proposed transactions.

All interested persons are referred to said applications-declarations, which are on file in the offices of this Commission, for a full statement of the transactions therein proposed which are summarized below:

Middle West proposes to sell and Public Service proposes to purchase all of the outstanding capital stock of Power and Water, consisting of 23,141 shares of common stock, \$100 par value per share, for an aggregate price in cash equal to the sum of (a) \$1,700,000 and (b) the net

income per books of Power and Water for the period beginning October 1, 1947 and ending on and including the date of closing. Middle West claims exemption from the competitive bidding requirements of Rule U-50 with respect to such sale by reason of paragraph a (3) of such rule.

Public Service also proposes, as soon as practicable after the acquisition of the capital stock of Power and Water, to cause Power and Water to distribute all its property and assets to Public Service in cancellation and retirement of such capital stock. In connection with such distribution, Public Service will assume all outstanding liabilities of Power and Water. Public Service will then cause Power and Water to be dissolved.

The transactions proposed by Power and Water are those necessary for consummation of the above program of Public Service.

Middle West states that it proposes to invest the proceeds from the proposed sale of the capital stock of Power and Water (a) in shares of common stock of Kentucky Utilities Company as previously authorized by this Commission (see Holding Company Act Release No. 7489), and/or (b) subject to the approval of the Commission, in shares of common stock of Central Illinois Public Service Company in accordance with an application-declaration of Middle West (File No. 70-1605) pending before the Commission.

The filing contains a copy of a Joint Resolution of the Senate and House of Representatives of the State of Oklahoma authorizing the acquisition by Public Service of the capital stock and properties and assets of Power and Water as and when approved by this Commission. The applicants-declarants state that no commission, other than this Commission, has jurisdiction over the proposed transactions.

It appearing to the Commission that it is appropriate in the public interest and in the interests of investors and consumers that a hearing be held with respect to said applications-declarations and that said applications-declarations shall not be granted or permitted to become effective except pursuant to further order of the Commission:

It is ordered, That a hearing on said applications-declarations pursuant to the applicable provisions of the act and the rules and regulations thereunder be held on November 7, 1947, at 10:00 a. m., e. s. t., at the office of this Commission, 18th and Locust Streets, Philadelphia 3, Pennsylvania, in such room as may be designated on that day by the hearing room clerk in Room 318. Any person who desires to be heard or otherwise wishes to participate in this proceeding shall file with the Secretary of the Commission on or before November 6, 1947, a written request relevant thereto as provided by Rule XVII of the Commission's rules of practice.

It is further ordered, That William W. Swift, or any other officer or officers of this Commission designated by it for that purpose, shall preside at such hearing. The officer so designated to preside at such hearing is hereby authorized to exercise all powers granted to the Com-

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mission under section 18 (c) of the act and to a hearing officer under the Commission's rules of practice.

The Public Utilities Division of the Commission having advised the Commission that it has made a preliminary study of said applications-declarations and that, upon the basis thereof, the following matters and questions are presented for consideration, without prejudice, however, to the presentation of additional matters and questions upon further examination:

1. Whether the consideration to be received by Middle West in connection with the proposed sale of the common stock of Power and Water is adequate.

2. Whether the consideration to be paid by Public Service for the common stock of Power and Water is reasonable and whether the standards of section 10 are otherwise satisfied.

3. Whether it is necessary or appropriate to grant Public Service a temporary exemption as a holding company with respect to Power and Water in connection with the proposed transactions.

4. Whether the accounting entries to be made in connection with the proposed transactions are proper and in accordance with sound accounting principles.

5. Whether, generally, the proposed transactions comply with all of the applicable provisions and requirements of the act and the rules and regulations thereunder and otherwise meet the standards of such act and the rules thereunder.

6. What terms and conditions, if any, should be prescribed in the public interest or for the protection of investors or consumers with respect to the proposed transactions.

It is further ordered, That particular attention be directed at said hearing to the foregoing matters and questions.

It is further ordered, That the Secretary of the Commission shall serve copies of this order by registered mail on Middle West, Public Service, Power and Water, the Federal Power Commission, and the Corporation Commission of the State of Oklahoma; and that notice of said hearing shall be given to all other persons by publication of this order in the FEDERAL REGISTER and by general release distributed to the press.

By the Commission.

[SEAL]

ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 47-9665; Filed, Oct. 29, 1947;
8:47 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 9876]

JOHN H. KLENE

In re: Estate of John H. Klene, deceased. File D-28-11763; E. T. sec. 15969.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Maria Esders, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the surviving children, names unknown, of Maria Esders, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraphs 1 and 2 hereof in and to the Estate of John H. Klene, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

4. That such property is in the process of administration by Pioneer Trust Company, as Executor, acting under the judicial supervision of the Probate Court of Marion County, State of Oregon;

and it is hereby determined:

5. That to the extent that the person named in subparagraph 1 hereof and the surviving children, names unknown, of Maria Esders are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 24, 1947.

For the Attorney General.

[SEAL]

DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 47-9680; Filed, Oct. 29, 1947;
8:49 a. m.]

[Vesting Order 10023]

BARBARA DISTLER

In re: Estate of Barbara Distler, deceased. File No. D-28-11663; E. T. sec. 15874.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Barbara Schmidt, John Distler and John George Distler, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the issue of John Distler, names unknown, and the issue of John George Distler, names unknown, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraphs 1 and 2 hereof, and each of them, in and to the estate of Barbara Distler, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

4. That such property is in the process of administration by Liberty Bank of Buffalo and Rose Strebel, as co-executors and co-trustees of the Estate of Barbara Distler, deceased, acting under the judicial supervision of the Erie County Surrogate's Court, Buffalo, New York;

and it is hereby determined:

5. That to the extent that the above named persons and the issue of John Distler, names unknown, and the issue of John George Distler, names unknown, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 20, 1947.

For the Attorney General.

[SEAL]

DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 47-9683; Filed, Oct. 29, 1947;
8:50 a. m.]